



STEPHEN WITT

THE IMPACT OF TOURISM
ON WALES



University College of Swansea

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THE IMPACT OF TOURISM ON WALES

INAUGURAL LECTURE

Delivered at the College
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by

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THE IMPACT OF TOURISM ON WALES

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INTRODUCTION

Often people are surprised when I inform them of my occupation - "Professor of *what?*". After recovery from the initial shock this is usually followed by either: "That sounds like a nice job - do you get a lot of free holidays"; or "But isn't tourism rather frivolous - it's not as though you are dealing with a *proper* industry"; or along similar lines "But the jobs created by tourism are not *real* jobs".

I usually respond by saying that other industry sectors generate chairs - for example, also within the service sector we have professors of banking - so why shouldn't we have professors of tourism? There are problems to be solved in tourism just as there are in banking. And in what sense is banking more of a "proper" industry than tourism, and banking jobs more "real" than tourism jobs? Tourism generates income which is just as "real" as the income generated by banking, and whilst the skills required for tourism jobs are different from those required for banking, considerable employment opportunities are provided by tourism. Furthermore, the only sense in which tourism can be thought of as being frivolous or less serious than other industries is to the extent that tourism is dealing with customers who wish to enjoy

themselves and be entertained. Finally, the only free holiday I have had was one that I won in a competition!

There are many reasons why it might be thought desirable to carry out research into tourism and provide tourism education, one of which is tourism's economic importance. As Waters (1990, p.7) points out:

The world's *spending* of \$2.1 trillion ... would indicate that tourism now has the right to claim the position of the world's *largest* industry;

tourism is the *fastest growing* industry in the world;

Tourism today has become one of the world's most powerful agents of economic development.

Pahr (1990, p.13) cites figures from a study *The contribution of the world travel and tourism industry to the global economy*, which was carried out by Wharton Econometric Forecasting Associates for American Express in 1989:

travel and tourism is the largest industry in the world in terms of *employment* and ranks in the top two or three industries in almost every country of the world on every real measure;

one out of every sixteen workers is ... employed in tourism.

He goes on to state that (p.15):

On a worldwide basis, tourism receipts, both domestic and international, amounted to 9.3 per cent of world gross national product.

Witt *et al* (1991, p.1) also note that:

international tourism receipts already comprise 7 per cent of the value of world exports... international tourism is

second only to oil in world trade, and it has been forecast that by the turn of the century it will be the *most important* sector.

We can see that tourism is an extremely important industry in world economic terms:

■ *Total* world tourism (domestic plus international) is ranked first in terms of

■ level of sales (£1,200 billion)

■ job generation (100 million jobs)

■ industry growth rate.

■ *International* tourism is ranked second in terms of world trade.

The effects of tourism can be felt, however, far beyond its economic impact; the social, cultural and environmental impacts of tourism are receiving increasing recognition and attention. While some of these are positive - for example, tourism can improve understanding among individuals from different countries and lead to more tolerance of other lifestyles - many of the effects are negative. Overcrowding, degradation of the natural environment, and the introduction of alien social values are some of the many factors which can give rise to a "tourism backlash" or anti-tourism movement in host countries.

In this lecture I intend to look at the economic, social, cultural and environmental impacts of tourism, both in a general

sense and as they apply to Wales. Where appropriate, I shall compare the situation in Wales with that in the UK as a whole. Some measures are more meaningful in the context of the UK than Wales (for example, the balance of payments), and in these cases I shall just concentrate on the UK.

But first we need to know to what we are referring when we talk about "tourism", "international tourism", etc. Wanhill (1988, p.2) defines "tourism" as the

temporary movement of people to destinations outside their normal places of work and residence and the activities undertaken during the time spent at those destinations.

This definition is very broad, and encompasses a wide variety of visit purposes: holidays, visits to friends and relatives, business visits, attendance at conferences, visits for religious or health reasons, and study visits. It excludes commuter trips, trips for emigration purposes, etc.

"International" tourists are people who cross international frontiers to travel to other countries, whereas "domestic" tourists just travel within their own country.

The tourism "industry" may be thought of as comprising all those sectors of the economy that contribute to meeting the needs of the tourist. These can be broken down into (Middleton, 1988): accommodation (for example, hotels, guest houses, holiday parks), transport (airlines, railways, shipping companies), travel organisers (travel agents, tour operators), attractions (theme parks, heritage sites, shopping facilities), and the destination

organisation sector (national, regional and local tourist offices. It is clear that tourism is a highly complex industry. The main complication is that it is not defined in terms of the goods or services supplied, but rather in terms of the type of customer. We shall return to this when we consider tourism employment.

ECONOMIC IMPACT

The economic benefits of tourism include the generation of income, employment, tax revenues and foreign exchange for destination countries.

Balance of Payments

Table 1 shows the world's top ten spenders for international tourism in 1988. It can be seen that the USA is the world's biggest tourism spender, followed by Germany, Japan and - in fourth position - the UK. As the world's foremost economic power, it is no surprise to find the USA in first position. Germany and Japan are both countries with huge balance of payments surpluses on their current accounts (mainly resulting from high levels of exports of manufactured goods), and strong currencies, and therefore their rankings are also no surprise. The UK, however, does not fall into either of these categories, and as in addition outbound international tourism from the UK is not as straightforward as is the case with many other countries in that it necessitates a sea or air journey (unlike the USA and Germany which have land borders), the UK's ranking as an international tourism generator is higher than may be expected.

Table 1 : World's Top Ten International Tourism Spenders, 1988

<i>World's Top Ten International Tourism Spenders</i>		
<i>Rank</i>	<i>Country</i>	<i>Int. Tour. Exp. (£ million)</i>
1	USA	18,030
2	Germany, FR	14,000
3	Japan	10,490
4	UK	8,170
5	France	5,430
6	Netherlands	3,770
7	Canada	3,550
8	Italy	3,400
9	Switzerland	2,820
10	Austria	2,710

Sources: International Monetary Fund (1990)
World Tourism Organization as reported
in Waters (1990)

Table 2 shows the world's top ten international tourism earners. The USA is again ranked first, but this time is followed by Spain, France and Italy and - in fifth position - the UK. The economic importance (for business tourism), and variety of attractions and size (for holiday tourism) of the USA are the reasons for its ranking in terms of tourism receipts. The only other destinations with higher international tourism receipts than the UK all border the Mediterranean. Again, the UK does not fit into either of these categories, so its ranking as a host country for international tourism is also higher than may be expected.


Table 2 : World's Top Ten International Tourism Earners, 1988

<i>World's Top Ten International Tourism Earners</i>		
<i>Rank</i>	<i>Country</i>	<i>Int. Tour. Recpts. (£ million)</i>
1	USA	16,390
2	Spain	9,370
3	France	7,730
4	Italy	6,960
5	UK	6,200
6	Germany, FR	4,810
7	Austria	4,780
8	Switzerland	3,150
9	Canada	3,140
10	Hong Kong	2,400

Sources: International Monetary Fund (1990)
World Tourism Organization as reported
in Waters (1990)

The tourism balance is defined as the difference between tourism receipts and tourism expenditure, and this is shown for selected countries in Table 3. The country with the world's most favourable tourism balance (£8.0 billion) is Spain, and this is followed, quite a way behind, by Italy (£3.6 billion) and France (£2.3 billion). So the three countries with the most favourable balances are all Mediterranean destinations. The two countries with the worst tourism balances are Germany (-£9.2 billion) and Japan (-£8.9 billion); these are followed at a considerably lower level by the Netherlands (-£2.2 billion) and the UK (-£2.0 billion). So although the UK is the world's fifth most important international tourism earner, it has the fourth worst international tourism balance. Now whereas the extremely healthy

Table 3 : Tourism Balance in Selected Countries, 1988

<i>Tourism Balance in Selected Countries</i>		
<i>Rank</i>	<i>Country</i>	<i>Tourism Balance (£ million)</i>
<i>most positive</i>  <i>most negative</i>	<i>Spain</i>	<i>8,000</i>
	<i>Italy</i>	<i>3,560</i>
	<i>France</i>	<i>2,300</i>
	.	.
	.	.
	.	.
	<i>UK</i>	<i>-1,970</i>
	<i>Netherlands</i>	<i>-2,170</i>
	<i>Japan</i>	<i>-8,860</i>
	<i>Germany, FR</i>	<i>-9,190</i>

Sources: International Monetary Fund (1990)
 World Tourism Organisation as reported
 in Waters (1990)

overall states of German and Japanese exports mean that the negative tourism balances do not cause problems - in fact in the case of Japan the government is engaged in a campaign to actively encourage its citizens to take more holidays abroad - this is not the case for the UK. The continuing balance of payments deficits are made worse by the excess of international tourism expenditures over international tourism receipts.

The UK tourism balance could be improved by either:

- reducing international tourism expenditure; or
- increasing international tourism receipts.

It may be possible to reduce spending on foreign holidays by persuading UK residents to take their holidays within the UK rather than going abroad. In many cases international and domestic tourism represent real alternatives, and therefore domestic tourism can have a marked impact on the balance of payments through its import substitute role. International tourism receipts can be increased either by increasing the number of foreign tourists visiting the UK or altering the mix of tourists to get a greater proportion of high-spending tourists. Clearly, the tourism industry in Wales can play its part in helping to alleviate UK balance of payments problems by persuading people from the UK and abroad to take their holidays and hold their conferences in Wales.

It should be borne in mind that international tourism generates balance of payments effects that are far more complex than those of the initial tourism receipts/expenditure (the *primary* effect). In particular, the extent to which tourism expenditures in a destination country generate import demand in that country can have a major impact on the foreign exchange generating ability of tourism. The *secondary* effects on the balance of payments include imports of supplies by the providers of tourism services (such as hotel operators and restaurant operators), expenditures on marketing abroad, and payments to overseas investors in the form of interest and dividends.

Income from Tourism

The importance of tourism to an economy can be measured in terms of the income generated by tourism. Table 4 gives figures for the

Table 4 : Volume and Value of Tourism in Wales and the UK, 1989

<i>Volume and Value of Tourism in Wales and the UK</i>				
<i>Origin-Destination</i>	<i>Visits (m)</i>	<i>% of UK Value</i>	<i>Expend. (£ m)</i>	<i>% of UK Value</i>
<i>UK residents</i>				
<i>staying tourists in Wales</i>	9.5	8.7	985	9.1
<i>staying tourists in the UK</i>	109.5		10,875	
<i>day-trippers in Wales</i>			250	8.3
<i>day-trippers in the UK</i>			3,000	
<i>Overseas visitors</i>				
<i>to Wales</i>	0.64	3.7	117	1.7
<i>to the UK</i>	17.20		6,821	
<i>Total (rounded)</i>				
<i>Wales</i>			1,400	6.8
<i>UK</i>			20,700	

Sources: Department of Employment (1990)
Wales Tourist Board (1990a, 1990b)

value and volume of tourism (domestic and international) in Wales and the UK in 1989. UK residents made about 9.5 million visits (which incorporated at least one overnight stay) to Wales and spent £985 million. This represents 8.7 per cent of trips by UK tourists in the UK as a whole and 9.1 per cent of expenditure, so average expenditure in Wales is slightly above the average for the rest of the UK. Data on day trips are not well documented, but it is estimated that in 1989 UK day-trippers (other than those already on holiday) spent roughly £250 million in Wales, which represents 8.3 per cent of the value for the UK as a whole. There were 640,000 overseas visits to Wales in 1989, and these visitors spent £117 million. Only 3.7 per cent of overseas visitors to the UK came to Wales, and they spent a mere 1.7 per

cent of the total expenditure by overseas visitors to the UK. So average expenditure by overseas visitors to Wales is less than half the average for the rest of the UK. In comparison with its performance in the domestic market, Wales appears to be underperforming in terms of attracting foreign tourists and, in particular, in terms of getting them to spend. In the UK as a whole, 39% of tourism spending comes from overseas visitors, whereas in Wales the corresponding figure is 11%. Now, even if foreign tourists cannot be persuaded to spend much more on average - Wales does not have the spending possibilities in terms of shops, entertainment, etc. that, say, London has - the foreign tourist is still to be prized; average spending per head in Wales in 1989 was £104 by British tourists and £183 by overseas visitors.

The ratio of tourism receipts to gross domestic product (which is a measure of the overall output of an economy) gives an indication of the relative importance of tourism to that economy. Table 5 shows that total tourism receipts (domestic plus international) represent 7.5 per cent of gross domestic product (GDP) in Wales and 4.7 per cent in the UK. So tourism plays a considerably more important role in terms of its contribution to overall income in Wales than in the UK. When "external" income is examined the difference is even more striking. "External" tourism receipts represent those received from people living outside the destination area, and, for most countries, are synonymous with "international" tourism receipts. For Wales, however, external tourism receipts comprise tourism expenditure in Wales by all non-Wales residents, whereas international tourism receipts only

Table 5 : Tourism Receipts as % of GDP

<i>Tourism Receipts as % of GDP</i>		
<i>Destination</i>	<i>Total Receipts as % of GDP</i>	<i>External Receipts as % of GDP^a</i>
<i>Wales^b</i>	7.5	5.9
<i>UK^b</i>	4.7	1.6
<i>Greece^c</i>		4.6
<i>Italy^c</i>		1.5
<i>Spain^c</i>		4.8
<i>Switzerland^c</i>		3.1
<i>USA^c</i>		0.3

Sources: Central Statistical Office (1990)
 Department of Employment (1990)
 International Monetary Fund (1990)
 Wales Tourist Board (1990a, 1990b)
 World Tourism Organisation as reported in Waters (1990)

Notes: ^a External for Wales includes receipts from England, Scotland and Northern Ireland in addition to international receipts. For other countries external is equivalent to international.

^b 1989 figures

^c 1988 figures

comprise tourism expenditure by non-UK residents, since no international boundary exists between Wales and the rest of the UK. Table 5 shows the ratio of external tourism receipts to GDP for a group of important destination countries. The value calculated for Wales, 5.9 per cent, is higher than for any of the other countries considered, including Greece (4.6 per cent) and Spain (4.8 per cent), and is almost four times the UK value (1.6 per cent). The importance of the contribution to the tourism

industry in Wales made by non-Wales residents should not be underestimated - only 14 per cent of total tourism expenditure in Wales (domestic plus international) comes from local residents. The biggest tourism spenders in Wales are the English, with a 73 per cent share of the total.

It should be borne in mind that tourism receipts include expenditure on imported goods and services, and taxes on expenditure. Therefore the value of tourism receipts expressed as a percentage of GDP overstates somewhat the contribution of tourism to GDP.

Contribution of Tourism to Employment

The general decline in the traditional industries of coal mining and iron and steel production in Wales has led to a search for alternative employment opportunities, including tourism. Advantages of tourism include the following:

- Most sectors of the tourism industry are labour intensive and so provide good opportunities for new job creation in conditions of market growth.
- Tourism is highly cost effective in terms of generating jobs - the cost of stimulating employment from public funds is relatively low.
- It offers a wide variety of job opportunities, including many in low-skill occupations which is where unemployment tends to be concentrated.

■ The jobs created by tourism are widely spread geographically throughout Wales rather than just being concentrated in urban centres, so tourism helps to counteract the movement from rural to urban areas.

Although the tourism industry is one of the foremost generators of employment, precise figures for jobs in tourism are difficult to obtain. As discussed earlier, the major complication is that the industry is defined in terms of the *customer* demanding goods and services, rather than the goods or services supplied. There are many sectors serving tourists as well as other customers; for example, taxi drivers in a particular locality may spend 20 per cent of their time transporting tourists and 80 per cent of their time transporting commuters, so not all the jobs in tourism-related industries are supported by tourist spending. If there are 30 taxi drivers in this locality, then the equivalent of six of the jobs (ie 20 per cent) are generated by tourism. So, in order to obtain reasonably accurate figures for job numbers in the tourism industry, it is not only necessary to identify all those sectors that provide goods or services for tourists, but also to estimate the proportion of the working time that a person in one of these sectors spends, on average, on providing tourism-related goods and services.

Tourism expenditure creates *direct* employment in businesses such as hotels, restaurants, shops and car hire firms - establishments which serve tourists directly. But tourism expenditure also creates *indirect* employment in those industries supplying the tourism sector, such as farmers supplying food to restaurants,

manufacturers supplying goods to shops, etc. Indirect employment is generated by the successive rounds of inter-business transactions caused by the original tourism expenditure. The tourism employment *multiplier* measures the ratio of the sum of the direct and indirect jobs created to the direct jobs only, which result from the tourism expenditure.

A major study of tourism employment in Wales was carried out recently by Medlik (1989). The main findings of the study are shown in Table 6. It can be seen that:

Table 6 : Tourism Employment in Wales

<i>Tourism Employment in Wales</i>		
	<i>Jobs</i>	<i>Full-time Equivalents</i>
<i>Direct</i>	<i>63,000</i>	<i>53,000</i>
<i>Indirect</i>	<i>32,000</i>	<i>27,000</i>
<i>Total</i>	<i>95,000</i>	<i>80,000</i>

Source: Medlik (1989)

■ 95,000 jobs are due to tourism (9.5 per cent of all employment in Wales - almost one in ten jobs).

■ These jobs represent 80,000 full-time equivalent persons employed.

■ A tourism employment multiplier value of 1.5 has been used - so far every two jobs created directly in the tourism sector, a further one job is created in industries supplying tourism.

Other points noted in the study are:

■ 75,000 of the full-time equivalent persons employed in tourism result from tourist spending, and the other 5,000 are in the public sector and in voluntary organisations.

■ Tourism employment represents a substantially higher share of total employment in Wales (9.5 per cent) than in the UK as a whole (6 per cent).

■ Employment due to tourism is broadly spread across the spectrum of tourism-related industries.

■ Tourism is a large and growing source of employment for women in Wales.

■ There is considerable part-time employment in tourism. This can be useful in that it accommodates the requirements of those people not available for full-time employment, for example students and those with family responsibilities, but it can cause problems where people would prefer to work full

time.

■ Seasonal (summer) employment is a marked feature of tourism in many holiday areas which are remote from population centres. This can prove useful for people not available for year-round employment, such as students, but is a disbenefit where people are involuntarily unemployed out of season. Seasonality is declining in other geographical areas with the growth of non-peak season tourism activities, such as short-break holidays, and business and conference tourism.

■ A large part of tourism employment is in small businesses, where the self-employed represent a relatively high proportion of total employment.

SOCIOCULTURAL IMPACT

Tourism can have marked *social* impacts on both tourists and destination-country hosts. Many of the impacts on the host population are negative. For example, tourist-host encounters in poor countries can lead to envy and resentment on the part of hosts as they see the comparative wealth and lifestyle of the foreign visitors. This may lead to dissatisfaction on the part of locals with their own standard of living, way of life and value systems, and can pose a threat to family relationships and the traditions and stability of local communities. More generally, large numbers of tourists may cause irritation and even antagonism in the destination as they compete with locals for the use of overcrowded roads, beaches, restaurants, and so on.

Most of us have experienced traffic jams in the summer caused by tourists wanting to visit our local beaches and countryside. We often can't get into our local restaurants because they are full of tourists.

The negative *cultural* effects of tourism include the dilution and trivialising of traditional arts and crafts. Given the time constraints faced by tourists, they want "instant culture". The demand by tourists for authentic experiences, of a different culture often results in staged displays of, for example, folk dances and ceremonies. The customs and traditions of the host population are manipulated to make the experience more enjoyable for tourists; tourist attractions are often developed which conform to tourist expectations rather than accurately reflecting the genuine culture.

Tourism can also have beneficial sociocultural impacts. It can promote better understanding between people of different cultures and nationalities, particularly as far as those tourists are concerned who actively try to fall in with, meet and talk to the local population. In addition, tourism contributes to the financial viability of a wide range of services and amenities which can also be used by local residents, for example restaurants, theatres, cinemas, public transport and sports facilities. A further benefit is that tourism can result in the continued existence of traditional occupations, for example handicraft industries and farming. Also, in many cases local customs and culture have been revived in host communities because of the interest shown by tourists.

A major study of the sociocultural and linguistic impacts of tourism on Wales was carried out recently by the European Centre for Traditional and Regional Cultures (1988). The particular stress upon the Welsh language and language-based aspects of culture in the study arises from the unusual situation (compared with other countries) that Wales has a minority language which is even a minority language in its own territory (only 20 per cent of the population are Welsh-speaking). As the majority language (English) is spoken by virtually all tourists visiting Wales, tourism may possibly be a factor putting the Welsh language at risk. Three empirical case studies were conducted - at Llanberis, Newcastle Emlyn and the Rhondda - which involved interviewing residents to discover their attitudes towards tourism. Broadly similar views were expressed at all three case study sites - the majority of residents welcome tourism for economic *and* social reasons, and see it as a positive force. The main social benefits are perceived as the establishment of social contacts with visitors, and the development of local facilities which improve the opportunities for relaxation for residents as well as tourists. Most of the residents feel that Welsh culture is important and are interested in various aspects - customs, music, cuisine and literature; the Welsh language is regarded as important to the culture. However, tourism is not, in general, cited as a key factor in the decline of Welsh language and culture. Rather most residents see rural depopulation and migration as the primary causes of the decline, and the effect of the media, economic policies and non-Welsh speakers retiring in the area as secondary causes.

ENVIRONMENTAL IMPACT

Tourism can have profound impacts (both positive and negative) on many aspects of the physical environment, and these need to be taken into consideration when planning tourism developments. A mass influx of tourists to a destination without regard to the consequences for the physical environment may well destroy the very resource that attracts tourists. Tourism can result in the pollution of lakes, rivers and coastlines by human waste, petrol discharged from boats, and so on. The transport of tourists pollutes the atmosphere through exhaust fumes. High noise levels can occur in previously peaceful surroundings, and litter may become a problem. Tourism on a large scale can also create congestion at, for example, airports and destinations; there is often a physical limit on the ability to absorb tourists, but before this stage is reached, the appeal of the tourist facility may well be reduced by overcrowding. Tourism can also destroy the balance of nature in an area; it can result in soil erosion, damage vegetation and wildlife, disrupt agriculture and destroy natural and manmade features. Mass tourism can result in excessive wear and tear on historic buildings and sites. Building developments can have a marked detrimental impact on the physical environment. For example, mass tourism to coastal resorts leads to large-scale construction of hotels, restaurants and shops, which often totally transform the physical environment.

Tourism development can also result in environmental improvement, however, particularly through the regeneration of urban and industrial areas. The site of Garden Festival Wales 1992 in Ebbw Vale is a particular example of this. In addition, visits to

tourist attractions help in the conservation of areas of scenic value, historical buildings, and so on.

Attempts should be made to minimise the costs of tourism developments to the physical environment. In order to protect and preserve the physical environment it is necessary to instigate conservation measures, and new tourism developments, such as buildings and signposting, should be environmentally sensitive. Planning controls are necessary to balance the conflicting demands of tourism and conservation. Mathieson and Wall (1982, p.97) point out that:

conservation and the preservation of natural areas, archaeological sites and historic monuments have emerged as important spill-over benefits of tourism. In turn, the protection of these prime tourist resources enhances and perpetuates tourism by maintaining its very foundation. The tourist industry has as much interest in maintaining a quality environment as organizations specifically dedicated to that cause.

In the context of Wales, the study by the European Centre for Traditional and Regional Cultures (1988) found that residents in the three areas surveyed cited environmental damage and traffic problems among the disbenefits of tourism. However, their overall assessment was that the benefits of tourism significantly outweigh the disbenefits.

Finally, it should be borne in mind that *other* (alternative) industries *also* cause damage to the physical environment in the form of pollution, etc.



CONCLUSIONS AND RECOMMENDATIONS

- The tourism industry is very fragmented, comprising such diverse elements as caravan parks, airlines and historic monuments. The common thread is that each of these sectors contributes to meeting the needs of the tourist.
- The tourism industry is of crucial importance in world economic terms. But as well as its economic impact, tourism can have considerable social, cultural and environmental impacts.
- The economic gains to Wales from tourism are proportionately substantially greater than the gains to the UK as a whole - for example, tourism receipts represent 8% of GDP in Wales compared with 5% in the UK, and tourism generates almost 10% of employment in Wales compared with 6% in the UK. The contribution to GDP of *external* tourism is particularly important in the case of Wales - the ratio of external tourism receipts to GDP is higher for Wales than countries such as Greece and Spain, and is almost four times the UK value.
- In order to maximise the economic benefits of tourism, high-spending tourists should be encouraged to visit Wales.
- UK holidaymakers and business/conference visitors spend considerably more per trip and per night than people visiting friends and relatives.

- Foreign tourists, spend considerably more, on average, than UK tourists. However, the domestic market is more stable; the demand for tourism to Wales by overseas residents is subject to changes in exchange rates, impediments to travel abroad imposed by foreign governments (for example, currency restrictions) and - highly relevant at the present time - the international political climate.
- Diversification of promotional effort across several origins is essential in order to reduce the risks associated with concentrating on one or two specific generating countries.
- A targeted marketing effort is crucial to sustaining the impact of tourism development. The traditional British one/two week seaside family holiday has been in decline for some time, and hence other (expanding) market segments need to be explored. For example, rural tourism is relatively highly developed in Wales compared with other regions of the UK and special interest holidays and short breaks are increasing in popularity. Hence farm tourism, walking holidays, mountaineering holidays, fishing holidays, ponytrekking holidays, city breaks, etc. should be promoted vigorously.
- Investment in tourist amenities and accommodation is necessary to enhance the quality of the tourism product and to achieve improvement in market size in the longer term.

Examples include the upgrading of existing hotels to provide more rooms with en suite facilities and the upgrading of holiday parks to include all-weather leisure facilities.

Continuing investment in tourism education and training is also necessary in order to generate increased professionalism within the tourism industry in Wales, which will allow it to compete effectively with the tourism industry in other countries.

Tourism can impose considerable costs on destinations including congestion, conflicts in social values and degradation of the natural environment. Empirical evidence suggests that residents of Wales do feel that tourism is responsible for traffic problems and environmental damage, but that overall the benefits of tourism considerably outweigh the disbenefits. However, the natural resources of Wales represent a major strength of its tourism product - for example, the coastline, beaches, countryside, forests, mountains and national parks - and therefore attempts should be made to minimise damage to the physical environment by appropriate planning controls. Furthermore, in order to avoid possible resentment by local residents and minimise sociocultural problems, appropriate consultations regarding new tourism developments should take place with the host community. Tourism developments should be sensitive to the wishes of local residents as well as environmentally sensitive.

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