The role of companies and organizations on a tourist destination

Joel Fernandes  
(Instituto Politécnico do Porto, Portugal) (joelfernandes@esht.ipp.pt)

Amândio Silva  
(Instituto Politécnico do Porto, Portugal) (amandio_dasilva@yahoo.co.in)

Eduardo Albuquerque  
(Instituto Politécnico do Porto, Portugal) (eduardoalbuquerque@esht.ipp.pt)

Abstract
A tourist destination to be competitive requires all players within the destination, such as companies, institutions, among others, to work together in order to provide greater benefits for all stakeholders. However, the benefits may be conditioned by the destination itself, since each destination has unique and inimitable characteristics, which can also influence the market performance. This article tries to understand the role of companies in a given destination, and consequently, how tourism may enhance the performance of the local companies. It also discusses the concept of responsible tourism.

Keywords: Companies and destinations; sustainability of destinations; business relationship in tourism; destinations economy; reciprocity companies and destinations; responsible tourism.

Co-authors: Andreia Ferreira, Flávia Silva, Vitória Carvalho (Students, Instituto Politécnico do Porto, Portugal)

Introduction
A destination is more than a product; it is a physical space where tourism activity goes on, where communities live and work and that is replenished with symbols and images of its culture and history (Cooper & Hall, 2008) and that offers local experiences that together make the destination unique as a brand (Buhalis, 2000).

In order to face the new competition paradigms, destinations must be able to differentiate the products they offer and must develop partnerships between the public and private sectors. For that, the strategies to be followed must be developed not only from the perspective of the consuming public, but also from the point of view of a collaborative paradigm that integrates all stakeholders (Buhalis, 2000). Whatever the destination, companies and organizations assume a de-facto fundamental role as the most relevant players in the region. These interactions result in regional characteristics based on the way companies specialize their human resources or they way they apply the regional knowledge in order to highlight specific regional characteristics (Baraldi et al., 2006; Dicken & Malmberg, 2001).

So, relationships between companies and regions are clearly mutual (Baraldi, 2006; Glückler, 2007). As mentioned by Schoenberger (1999), regarding the reciprocity between companies and the destination, “The company in the region and the region in the company” or, this relation is compulsory for the development and sustenance of a destination, as well as for the definition of its image, while a good image of the destination is essential for the success of the companies and vice-versa.

The business behavior or policies of companies may limit the destination popularity, and even the organizations that may not be dependent on tourism can, based on their performance, make the region unpopular for tourism, as they too contribute for the social and economic dimensions of the image of the destination (Grängsjö, 2003; McKercher, 1993).

Thus the success of a region or destination depends on the interactions undertaken during several decades between the companies and organizations located within the region (Waluszewski, 2004).

Methodology
From the “international tourism day” recognized globally since 1980, the impact of the role of companies and organization on a tourist destination for the last thirty seven years was analyzed.
More than hundred scientific articles published between 1980 and 2017 were studied in order to understand the evolution of the concept and in order to extract a summary of scientific conclusions. Thus this article tries to understand the various relationships between the companies and the tourist destinations. Initially, the importance of the tourism sector to the regional economy will be studied; further, the performance of companies will be analyzed, given that the corporate behavior can affect the various players on the tourism sector as well as the destination; the importance of the interrelationship between all the players and the influence they project on the destination, as well as aspects like planning on tourism, cluster theory, importance of the local community on the tourist location, the contribution of event tourism for the tourist destination image and for the companies of the region will also be discussed. The concept of responsible tourism will also be approached.

The role of tourism on the destinations
For Tinsley & Lynch (2001), a tourist destination can be understood as a "system having a number of components such as tourist attractions, lodging and boarding, transportation and other services and infrastructures", and each one of these elements depends on others for success, be it the attraction and/or satisfaction of tourists that visit the destination. According to Barbosa (2005), tourism is seen as one of the most important economic forces in the world, from which are derived consumption phenomenon, profitability, linkage between demand and supply, etc. So, due to its several economic benefits, it should be included in the economic policy of not only of every region and municipality, but also of the entire country. Tourism is seen as a positive consequence for the local and/or regional development, as one municipality can even benefit from tourism by simply being a supplier of goods destined for the consumption of tourists. Thus, it can be said that any city can benefit from tourist activities even if it does not receive any tourists.

Andraz et al. (2015) state that the total effect of tourism is positive for all the regions of a country and for all the private sector enterprises, thus demonstrating the benefits of tourism on the regional economic activity. They further state that on one side tourism generates several macroeconomic benefits throughout a country, while on the other side those benefits are not evenly distributed throughout the regions of the country, even though tourism in a region affects the economic performance of other regions and places of the country.

As per Proença & Soukiazis (2008), tourism can be seen as an aid in reducing regional asymmetries. Production decisions and company location at an internal level have direct influence in reducing regional asymmetries with the creation of new jobs, investment attraction and consequent increase in wealth at supranational level. The success of economic integration policies also depends on the corporate level decisions and production efficiency. It can be said that tourism increases the concentration of economic activity in the region (Andraz et al., 2015).

The tourism sector can have direct and indirect effects on a destination, mainly positive effects, as it can create new jobs, increase production, increase wages and consequently increase capital revenues (Archer & Fletcher, 1996; Frechtling & Horvath, 1999). This way, tourism exerts a solid contribution for the development of regional economies, promoting a source of revenue for the resident families as well as for the companies involved, or in other words, tourism has an important role for the development of developing and developed countries (Incera & Fernandez, 2014).

Relation between companies and destinations
To obtain the desired success of tourism, it is important that there must be a reciprocal relationship between companies and destinations (Baraldi, 2006; Glückler, 2007).

In the relationship between companies and destinations, priority is given to the companies because their decisions shape the territory and its development process (Giuliani, 2007). Companies may encounter different local situations, population culture and histories that are prominent (Schoenberger, 1999), and that may curb their performance or force them to change their business approach. The interaction can be interpreted as a process that alters and transforms various aspects of the resources and activities of the companies, eventually changing the characteristics of the companies themselves. This interaction process is one of the main ways companies systematically relate to the
region and combine their activities and resources to the local needs (Waluszewski et al., 2008). It is considered also that the interaction between organizations creates space (Håkansson et al., 2006). It is understood that regions may have various types of involving issues and conditions that may curb corporate activity, most of them being of an intangible nature (Johnston & Araújo, 2002). The character of social and institutional relationships that develop and originate from a regional context is something unique, inimitable and that affects the potential and attractiveness of the region as a tourist destination. In fact, the regional development trajectory is conditioned by the organizations it accepts and by the standard relationship with them (Baraldi, 2006; Mota & Castro, 2004). The regional dynamics are influenced by the local networks and connections to the external players in the territory. Each organization can be seen as a combination of resources of the region (Håkansson et al., 2006). This relationship is dynamic and can improve with the attraction of newer companies or by the enrichment and valorization of the existing resources.

Based on the relationship between companies and the region, several factors that have an impact in the regional dynamics can occur, like: the development of new connections with local companies or combination of resources, the development of new and valorization of existing activities and the creation of new competencies (Håkansson et al., 2006).

In the tourism sector, every economic activity is undertaken under partnerships between companies, institutions, authorities and other relevant organizations that work together, in order to acquire competitive advantages to respond to the needs of the final consumer (Fundeanu, 2015).

Based on the study undertaken by Almeida et al. (2009), the tourism sector consists of activities that are linked to services, based on small and medium enterprises (SMEs), for whom, the information and knowledge are essential for the definition of strategies and preparation of business plans.

So in these companies, knowledge assumes a fundamental role, as it assures the availability and access to strategic knowledge about markets, products and services, competition and processes and procedures, such as competencies (Plessis, 2005).

As per Kanellopoulos et al. (2006), knowledge is one of the success factors for tourism companies and the key performance indicator (KPI) to their competitiveness. This involves a proper management of human resources, organizational culture and inherent communication technology.

Today, being competitive is unavoidable for the survival of SMEs, and they must adapt their strategies, organizational structure and management style to the economy (Camisón, 1997).

The collaborators of an organization gather knowledge in order to achieve their objectives, thus valuing the entire company (Liebowitz & Awad cited by Kanellopoulos et al., 2006). So in order to make this possible, there must be a corporate strategy that covers the related organizational processes, most adequate information technology and collaborators that define the corporate objectives, to allow the company to grow (Ahmed, 2008).

According to the OCDE (2004), SMEs need to have access to sources of information and must have knowledge of technology, in order to fulfill the objective of building organizational platforms to reach their markets. This access can be made individually or in partnership with other companies in the tourism sector or other sectors that may have the same objectives and interests.

SMEs, through the adoption of a more innovative culture directed towards their business strategy will grow and create quality jobs (OCDE, 2004).

OCDE (2004) recommends some practices for SMEs after acknowledging the importance of innovation. It is based on the adherence to local and global innovation networks, participation in innovation and development programs, acquisition of partnerships that involve private players, national government organizations and also the public sector; and lastly, on the access to financial and fiscal incentives for innovation.

La Micela cited by Almeida et al. (2009), states that SMEs can benefit by entering into alliances, networks, clusters or franchising, in order to attain mutual benefits, and can even work not only through intermediaries but also with tourism management bodies, as well as by participating in existing industrial clusters in the destinations.
A tourist destination is affected by the seasonality phenomenon, when the demand rates are high with direct implication of prices and quantity. So in order to face this situation, companies should find ways to diversify their products to attract clients throughout the year (Evans et al., 2003). In the tourism sector, SMEs are quite weak values in their internal processes, strategies and even while promoting their own services. In order to curb this situation, knowledge management offers a greater flexibility and adaptation capacity, allowing for survival in an increasingly competitive market that is constantly changing both in terms of demand and supply. Companies should be flexible organizationally, as they increase their adaptability to future changes that may affect them (Volberda, 1998).

Regarding knowledge management for a tourist destination, companies should focus more on the demand and introduce new knowledge from the network of organizations they belong to (Archibugi, cited by Cooper, 2006). Brown & Rogers, cited by Cooper (2006) state that knowledge is dynamic, creating innovation on the companies as well as on the destination. In the case of tourism SMEs, this is very important as knowledge is crucial for the competitiveness of the destination where they are located (Almeida et al., 2009).

**The different players in the planning and development of destinations**

It is necessary to undertake an organized planning process, developed in an efficient way for each tourist destination, with the aim of recognizing the key factors and the interactions amongst them to facilitate the evaluation of the tourism potential of a given region or destination (Fundeanu, 2015). Williams (2009) sums up in overall the following as the objectives of tourism related planning: it enables a mechanism for the structured layout of tourist equipment and related infrastructure over a large geographical area; it coordinates the fragmented nature of tourism, mainly with regards to transportation, lodging, marketing and human resources; it intervenes in the maintenance of the resources and maximization of benefits for the local community; it is a mechanism for the distribution and redistribution of tourism related investments and related economic benefits; and the integration of tourism in planning systems gives the sector a political significance (given that most planning systems are subjected to the influence of political control) and to provide a measure of the legitimacy for an activity that was not always taken seriously as a force for social and economic change.

Thus it is essential to have cooperation between local entities, independently of the underlying motivation, as all jointly contribute for the creation of integrated and innovative tourism regions, influencing positively competitiveness (Fundeanu, 2015).

Every destination has a diversity of players with interrelated interests, where the actions of each one potentially influences others, and so none of them can take important decisions independently and no organization can independently control the entire tourist destination development process (Jamal & Getz, 1995). Even those organizations that are not directly involved in the tourism activity (as hospitals, police and service stations) affect, based on their services, the performance of the destination and its image and perception in the competitive market (Grängsjö, 2003; McKercher, 1993).

As mentioned by Buhalís (2000), one of the most important tasks of any organization that is responsible for the development of a region is the coordination of the different players in order to promote cooperation between them, and to avoid them putting the value and sustenance of the destination at stake. For it to happen there must be a tourist network that covers the maximum possible number of players (Brohman, 1996; Gibson et al., 2005; McKercher, 1993), where development and sustenance of the destination are always the main objective. It is without any doubt an essential factor the involvement of the community in the planning and development process, as it is crucial for the sustainability of tourism in the destination (Choo et al., 2011; Cook, 1982; Freire, 2009; Lichrou et al., 2010; Murphy, 1985).

Baggio, Scott & Cooper (2010) insist that a diffusion of knowledge in the tourist destination, the presence of a structured network that connect all the stakeholders, in addition to a strong local cohesion is fundamental for success.
According to Beritelli (2011) a tourist destination is made up of different players that relate to each other in a formal as well as informal manner. He points out that the relationship between organizations and companies can be contractual or non-contractual, where the exchange of information and communication is more intense in the non-contractual relations, as social affinity strongly influences collaboration.

A destination network is constituted by a community of persons and companies that have constant interactions due to the approximation in the professional life. So, people meet in social events, and the existing relations get stronger turning into a network, as per Baldi, Milano & Vieira (2006). This results in an interdependency that surpasses all the purely economic or business relationships and results in the creation of networks, as per Parrilli & Sacchetti (2008). This cooperation results is the augmentation of the innovative capacity as well as the introduction or improved products, services and processes (Doloreux & Mattson, 2008).

Confidence has been pointed out as an important resource in the territory management (Franco, 2007; Zylberstajn & Farina, 2010). This confidence is based on the company relations and serves as a stimulus for all to act positively, as one’s behavior affects all the others as well as the destination. Nunkoo & Ramkissoon (2012) outline the advantages of confidence on support institutions and the inherent benefits of the existence of such institutions for the residents and the region.

André (2004) states that the success of the tourist destination management lies in a greater dialogue amongst the players, in order to treat the destination more formally. He says: “… incorporating all the existing resources and/or products to a global offer, articulated in the territory and in accordance with the social and economic reality present in the same”. In other words, cooperation between all the intervening players, where all the services are interlinked and well positioned in the territory, in order to obtain a proper development and sustenance of the destination must be there.

Dwyer & Kim (2003), point out that the administration of a destination, both from the public and private sectors, plays an important role as it can manage the other destination resources, like those which have been inherited (nature, culture, history, etc), and those that were created (hotel infrastructure, transportation, etc).

According to Carvalho (2009), under tourism, planning is a necessary condition for the viability of the organization and the sustenance of activities. The practices of planning and sustainable tourism management are essential factors for the sustenance of destinations and the needs of tourism. He further claims that “tourism planning is a structural tool of the sustainable development policy and so it occupies a decisive place in the process of conception and implementation of development strategies (Carvalho, 2009, p. 1421).

Ruschmann & Widmer (2000) defend planning as essential for the development of balanced tourism that is in harmony with the physical, social and cultural resources of the region. Thus, planning in tourism “consists in organizing the actions of man over the territory and is based in directing the construction of equipments and facilities in an adequate form, in order to avoid the negative effects on the resources that could destroy or reduce the attractiveness”. In other words, strategic planning that builds a positive relationship between companies and the destination must be undertaken to provide necessary conditions for the corporate success and sustainable economic development.

It essential that decision makers for sustainable development should have prior knowledge of the productive profile of the regions and the area concentration profile of the activities (Andraz et al., 2012).

As per Cruz, cited in Marujo & Carvalho (2010), the geographic space is seen as the main consumption item, and so tourism is an intensive consumer of the territory that demands proper development planning in a manner that evidences clearly the social and economic objectives that are to be attained, as well as the spaces that must be exploited and those that must be protected. Thus, the planning of sustainable tourism at a regional level should involve all the players in the tourism market, where cooperation is important, in order to reduce the potential negative impacts and to increase the economic returns of the destination (Marujo & Carvalho, 2010).

Minghetti (2001) says that the established relationships between all the intervening parties of a destination are determinants on the competitiveness of the tourist offer.
However, the local players also compete amongst themselves in order to ensure the promotion and reinforcement of tourism, this being a crucial factor to identify viable solutions to increase the tourism potential of a determined region or tourist destination (Fundeanu, 2015).

As stated by Torre & Rallet (2005), there are some players who are competent enough to act simultaneously in different places that indicate that the result of their acts go beyond their physical location. For a region to prosper, it should not only depend on local initiatives but also on the interdependency of other regions (Sheppard, 2005).

The development of relations that allow access to new resources and creation of new activities that bring dynamism to the territory and benefits to all the intervenient parties gains special importance for a destination or region. The interactions between companies become the key element for the success of any destination (Correia, 2010).

The ‘absorption capacity’ mentioned by Cohen & Levinthal (1999) is the capacity of a company to recognize, understand and explore the knowledge that it obtains internally, or in other words, companies must be able to benefit from new information that may lead to the creation and development of new practices and activities.

The region where the companies are located is concerned about what they may gain from it, so companies must be able to cooperate, thus creating a valuable potential for the region, or the region and the organizations should be interlinked and dependent on each other, so that there issue of one taking undue benefit from the other does not arise (Correia, 2010).

Interaction and cooperation is a method that alters and modifies the aspects of resources and company activities that can subsequently alter the characteristics of the same companies (Waluszewski et al., 2008).

This interaction process among companies in a determined destination allows for the building of other relations between them and also with newer organizations and resources (Walter et al., 2001; Ritter et al., 2004).

The relationships developed by companies amongst themselves, can generate common interests, but also opposing ones, that must be managed with a view to attain the ultimate objective (Correia, 2010). Häkansson & Snehota (1995) say that the combination of resources and players is known as a constellation of resources, in which the resources must be studied in an interdependent form as their value results of the links that exist among them.

For Baraldi (2006), the location is essential in the life of companies, from their inception, through the various phases of development. Locations affect the way companies act, but the companies also affect the place where they are located. Also, according to Baraldi (2006, p. 311), in order to have an interaction between the companies of a determined location, it is necessary to have a kind of relationship, to “overcomes space, cultural and competency distances”.

The operation of companies brings specific characteristics to the regions where they are located and at the same time, their operations are influenced by the culture of the region (Correia, 2010). As per Dicken et al. (2001), economy and space cannot be understood in isolation as they are interlinked.

As per Häkansson et al. (2006), the interaction and cooperation process among companies in a destination can result in new operating ways in the market, creation of new identities and new competencies internally, increasing consequently the dynamics and value of a tourist destination.

Briedenhann & Wickens (2004) say that one key element for the economic development stimulation of a given region or destination is the existing activities and tourist attractions.

For Novelli et al. (2006), tourism clusters are used to approximate companies in order to build a tourist product that is able to provide benefits to both companies and local community. Tourism clusters enable companies to grow their markets and collaboration capacities, in order to obtain more profits and to create new business opportunities (Nordin, 2003).

Companies should take advantage of the destination characteristics that are unique and inimitable, to develop partnerships that are useful for the development of the destination (Laing et al., 2016).

Porter’s cluster theory (1990, 2013), lays special stress on the relationship between the members of non-governmental organizations (NGOs) and travel companies and suppliers, as well as with other
institutions that are essential for the tourism sector. This approach is advantageous for the tourism sector that is characterized by a fractioned structure, made up of several players (Fundeanu, 2015). In the tourism cluster companies and institutions are centralized spatially in the horizontal and vertical production chain that allows exchange of information between similar agencies that offer tourist products (Cunha & Cunha, 2005).

Several advantages related to clusters are from the co-location of companies’ nearness and as a result of the exchange of ideas and cooperation among them (Correia, 2010). This approach, according to Porter (1990) justifies the existence of a greater cooperation and interdependence between companies that are located near each other.

Torre & Rallet (2005) say that companies of a given region or destination do not obligatorily have to develop relationships with each other, as they may be rivals and may opt to refuse to cooperate. Rispoli & Tamma (1991) argue that the international tourism industry is made up of large companies offering standardized products and services at competitive prices. Though small in numbers, they have more than half the volume of business of the tourism sector. Local tourism SMEs may not be aware of their role in the creation and local supply management of the tourist product and on the impact of the overall tourist experience.

Fundeanu (2015) says that the interaction between SMEs plays an important role on the development of tourist products and destinations. Universities and research institutions also have a main role in the innovation of tourist products, where modernization of destination access and promotion of support policies are determined by public authorities.

The importance of events on the destination

Whenever tourist motivation and destination attractions are discussed, it is important to refer that natural resources are considered insufficient to guarantee the permanence of tourists in the destination. There is need to build and maintain a set of equipments that allow visitors to move as well ensure that they stay, without which tourism activity would not exist (Barbosa, 2005).

Events also play an important role in tourist attraction as well as in extending their stay. As per Getz (2002), many types of events realized in countries or regions can promote tourist activity and development. So many tourism organizations and communities are involved in events to attract tourists. The type of tourism where the local population participates in planning, promotion and management, is the one that is most visible globally when compared with other types.

As mentioned by Britto & Fontes cited in Marujo (2015), an event must be seen as an economic and social activity that brings a series of benefits to promoting communities, for entrepreneurs and for business.

As per Marujo (2014), tourist events can be advantageous as they generate economic, political and social movements. It can be termed as a ‘weapon’ for the tourist development of a region, identification of a destination, to improve the image of a place and to beat seasonality. It involves a set of activities that can attract tourists to a destination, and thus, the regional entities see in the events organized, a strong ally for the tourism development of a region.

Events are normally seen positively by the public and private sectors, as these two agents, besides identifying their economic impacts, also recognize the commercial and promotional benefits generated by events (Hall, 1992).

So, events are benefic for tourism companies of a given region or country, as well as for the local government authorities, as they are seen as a way of improving the local image that may lead to an increase in demand for tourism and also because they generate profits. However, events can also have negative effects on the region, the failure of an event can be disastrous for the image of the destination, bringing about public awareness, and thus converting the positive benefits into negative publicity and political embarrassment (Allen et al, 2003).

As per Jeong & Faulkner (1996), events are seen as a tourist attraction that may help in extending the stay, as well as the average expenditure of the visitors. This incentivizes the development of infrastructure, promotes the region as a tourist destination, can attract potential investors and promote new business opportunities, and also lead to job creation. It is to be noted that jobs created by events
may not only function as an incentive for the resident population but may also contribute to increase the tourism development.

Marujo (2015) states that events will only be properly executed if they involve the different players in the activity: public and private sector, visitors and community.

Arguing about the relationship between the local community and tourism, Haywood (1990) says that tourism is essentially a local community industry, whereby destinations that use and shape their resources solely to satisfy the needs of tourists could jeopardize the interests and needs of the local community, destroying what initially made the destination attractive and different to the tourists. The local community is fundamentally important in the experience that the tourist desires to have in the destination (Freire, 2009; Lichrou et al., 2010; Nuryanti, 1996). Thus it is important that the tourism development involves the local populations and that their needs be satisfied (Choo et al., 2011), as is necessary to provide the correct information to all the players of the destination (specially to the resident population) about the characteristics of the tourism development process, the contribution that is needed from the locals and the advantages that they will gain from this process, so as to convince them to identify themselves with it and to contribute for the destination development process. Once involved, it will be easy to make locals work as the real region promoters, where sustainability is the most important factor.

**Company behavior**

Whenever the relationship between companies and organizations is discussed, it is important to note that their interactions can generate conflict.

Birnbaum (1995) mentions that several studies ignore the fact that conflict is a part and parcel of established relationships in society, trying thus to have a partial interpretation of its meaning. One of the main motives for this conflict perception is the fact that it may have a negative effect, but there is a theoretical base that assumes that conflict is a must for a social cohesion, for building the corporate base, and especially for group formation, or in other words, that conflict may have positive end results also (Coser, 1964).

Regarding the tourism sector, Lovelock (2002) concludes that conflict can be considered as a positive force for the preservation of natural areas, having a positive effect on the destination. The conflict concept is several times quoted in studies that analyze the relations between companies and that consider that organization is preferable to fragmentation; and cooperation is better than a conflictive situation (Lovelock, 2002). Nevertheless, after analyzing a seldom explored aspect, Casson & Giusta (2007), use the term "perverse effects of cooperation" between companies, to show how they may try to reduce commerce and concentrate powers.

As per Coser (1964), in a region, the result of conflicts is positive as long as it promotes change and new laws, or if it facilitates the development of new institutional structures.

In the case of SMEs, it is expected that the intermediation of conflicts may result in benefits, such as the adoption of intelligent public policies, creation of new norms and making existing ones more competitive and favorable (Thomas, 2007). Regarding positive results to conflicts of economic, environmental and social balanced sustenance, these may mean the intensification of dialogue between interested parties, needed expansion for SMEs infrastructures, environmental protection and creation of conditions for inclusion of the local population through job creation (Binswanger, 1999; Bursztyn & Bursztyn, 2006; Valls, 2006).

**Responsible tourism**

As per DEAT (1996), responsible tourism is a form of allowing local communities of a destination to enjoy better quality life, through the socio-economic benefits resulting of a better management of local natural resources (Spenceley et al., 2002).

Responsible tourism is based on four first order dimensions, namely community involvement, job creation, creation of skill development programs and greater public awareness. All these reflect the perception that this type of tourism has over the local community and leads the members of the said community to develop their own perceptions about the destination sustainability, thus creating
different sub-dimensions, such as economic, social, cultural and environmental sustenance (Mathew et al., 2017).

Responsible tourism affects the behavior of companies while considering the impact on the destination as a touristic initiative with the objective of obtain good business opportunities, through better vacation experiences, better life quality for the local community, increased socio-economic benefits and through the protection of natural resources in the tourist destinations (Spenceley et al., 2002).

As per the study undertaken by Frey & George (2010) about the management of responsible tourism from the angle of tourism company owners, the companies are not investing enough time and money to be able to provide responsible tourism.

The benefits of responsible tourism will only be fulfilled if local communities of the destinations understand that it creates a favorable sustenance to the destination and improves their quality of life (Hanafiah et al., 2016).

One of the benefits of responsible tourism is to minimize the negative social, economic and environmental impacts, and thus to maximize the positive effects of tourism development. This creates a better relation between responsible tourism and the sustenance of the destination (Frey & George, 2010).

The impact of tourism is concentrated in four important dominions, namely the economic, social, environmental and cultural, given that the influence of tourism on these dominions also ends up influencing the quality of life of local residents (Ap, 1992; Aspinall, 2006; Jurowski & Gursoy, 2004; Kim, 2002).

As per the study of Faulkner & Tideswell (1997), there is a strong relation between the patterns of purchases and services and the quality of life of local residents of a destination.

As per Mathew & Sreejesh (2017) tourism projects must guarantee direct benefits for the local population. It is important for the development of favorable perceptions about the political interventions, such as the creation and promotion of more job opportunities for the local community, better utilization of local competencies, greater efforts to increase the multiplier effect and to retain the maximum revenue on the local economy (Mathew et al., 2017). The promotion of the purchase of locally made goods and tourism services based on the community, a greater focus on value addition and marketing of products and services, greater promotion of local businesses and micro-companies, creation of a suitable environment for the interactions between industry and local communities, creation of self-employment opportunities and finally the financing of start-up companies can bring positive changes to the communities and thus create a greater sustainability of the destination (Mathew et al., 2017).

Life quality improvement can be brought about by encouraging job creation for local people and both at social and economic levels, helping the development of companies and weaker sections of society, encouraging partnerships between industries and companies, creating this way compulsory expenditures for the development of the local community and establishing an institutional mechanism to regulate the destinations (Mathew & Sreejesh, 2017).

From this, it is possible to conclude that SMEs play a fundamental role in strengthening the economic performance of their countries. The economic recovery capacity of countries depends mainly on the response of these companies to opportunities that arise and their adaptation and restructuring capacity to market conditions (Costa & Costa, 2005).

**Conclusion**

Tourism sector is the industry that has registered the largest growth in the last few decades, given the innumerable advantages it offers tourists. It plays an important role in the strategy of economic growth of several countries, but tourism projects must also guarantee direct benefits to the local population. This sector can have direct as well as indirect effects on a destination and makes a great contribution for the development of the region, resulting in a source of income for the residents as well as for the companies involved in it (Incera et al., 2014).
In accordance with various authors, tourism is viewed as a positive consequence for the local and/or regional development, playing an important role in the reduction of regional asymmetries, by reducing the negative social, economic and environmental impacts (Frey & George, 2010). The role played by companies for the development of a determined tourist destination is fundamental, but if the business styles of local companies are not tuned up to the main objective, there could be conflicts that could harm the destination (Baraldi, 2006; Glückler, 2007). It is then essential to have healthy cooperation between the local entities, irrespective of their underlying motivation, in order to create integrated and innovative tourist regions (Waluszewski et al., 2008). As per Håkansson et al. (2006), the relationship between companies and the region lead to the occurrence of several factors that have effects on the dynamics of the region, such as the appearance of new activities, valorization of existing activities and creation of new competencies. 

For a destination to be successful and different from all others, it is necessary that it establishes partnerships with companies and other organizations that together can cater to the expectations of tourists. Fundeanu (2015) suggests that an organized planning must be made and developed with efficacy in order to facilitate the valorization of the tourism potential of a given region or destination, and consequently, its promotion, as these tourism planning and sustainable management practices are essential factors for the sustenance of the destination and the needs of tourism. For Correia (2010), the own characteristics of the destination curb the acting of companies and consequently, attribute them own specifications in the action context, meaning that based on the characteristics of both parties, the interaction between them could have a greater or lesser impact on the valuation of the structure and dynamics of the region.

In conclusion and according to Baraldi (2006), local people are relevant in the life of companies from their inception throughout the several development phases or in other words, for a destination to become competitive, it needs that all the regional players work together, resulting in newer forms of acting in the market, creation of new activities as well as creation of new internal competencies, thus increasing the dynamics and the value of a determined tourist destination.

Bibliography


• Carvalho, P. (2009). Planeamento, redes territoriais e novos produtos turísticos ecoculturais, 1º Congresso de Desenvolvimento Regional de Cabo Verde.


• Marujo, N. (2015). O contributo do turismo de eventos para o desenvolvimento turístico de uma região. Available at: http://hdl.handle.net/10174/16747

• Marujo, N. & Carvalho, P. (2010). Turismo, planeamento e desenvolvimento sustentável. Available at: http://hdl.handle.net/10174/4146


