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## MSc thesis

### Sustainable Development of Tourism in Mykonos



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# **Sustainable Development of Tourism in Mykonos**

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## **EXECUTIVE SUMMARY**

Sustainability issue is recently incorporated in every field of science and tourism industry is not an exception. Master thesis focuses on managing sustainable development of tourism in one of the Greek islands – Mykonos. Although phenomenon of sustainable development is not very familiar to Greek community, it does not mean that Mykonos was not developed in a sustainable way. It came out naturally, with intention to preserve culture, to keep traditions and to sustain the island on which Mykonians live, for years to come.

World Tourism Organisation predicts double increase of tourist's arrivals by the year 2020; thereby focus of thesis is given to an institutional part of sustainability, i.e. the way of managing the development in a tourist destination of Mykonos.

It explores the way how the Tourism Marketing System is constituted. Tourism Marketing System is comprised of destination management, assuming public and private partnership. Sustainable development of tourism strives for ensuring future needs which give the island possibilities to sustain in the long term and make the best of competitive advantage. It means to sustain profits and the environment in which the community of people live and run a business.

Empirical research indicated stable position of an island with possible practical implementation of sustainable indicators. Since the infrastructure is developed, other investments can be directed to develop supra-structure.

Global financial crisis, whereof Greece was mostly affected, caused interference during the research. Man-made crisis is considered as critical external factor for which stable position of an island should not be affected because managing destination in a sustainable way decreases possible risks and threats. As it follows from interviews, Mykonos was not affected by crisis to the extent as the mainland of Greece, and because of its famous name and popularity.

### **Keywords:**

Sustainability, tourism, development, management, destination, value chain, corporate social responsibility, sustainability indicators

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# 1. Introduction

Tourism is an important economic industry and in terms of recent phenomenon – sustainable development, it is necessary to consider its management by every single destination. Taking into account positive and mainly negative impacts of tourism, except of natural character and attractions which a destinations offer to tourists, managing a destination nowadays plays significant role. Therefore, the following research focuses on managing development in one of the Greeks islands – Mykonos. The aim is to explore how the Tourism Marketing System is constituted in order to reveal its position based on criteria of sustainable development, namely how the industry of tourism can contribute to sustainable development.

How the Tourism Marketing System is constituted, is a main research question and it is incorporated into general term of institutional dimension of sustainability which covers other three dimensions - economic, social and environmental. Comprehensive Tourism Marketing System constitutes management operating in the destination mostly headed by local authority. Aim of this research is to reveal its structure and possible cooperation with private sector. Tourism Marketing System has two parts; one of which mainly the thesis focuses on - is supply-side; and the other is demand-side. Results of a research have an impact for further local planning, implementing sustainability indicators and overall competitive advantage over other destinations. Subsequent research is recommended as to follow trends in tourism, changing tourist's behaviour and influence of economic crisis in Greece.

Generally, tourism industry was influenced in 2010 by eruption of Iceland volcano Eyjafjallajokull with consequent flight cancellations, situation in Greece and anxiety evoked by oil spot in the Gulf of Mexico.<sup>1</sup> In this context, possible threats should be considered in order to minimize negative impacts of tourism on single destinations. To be specific with consecutive threats currently happening in Greece, it is about economic crisis, demonstration, strikes and fire.<sup>2</sup> Therefore the safety factors limit the tourist's decision to visit Greece.

Although sustainable tourism development is not a new phenomenon, lack of awareness and its implementation in Greece is an opportunity for this study to move the boundaries.

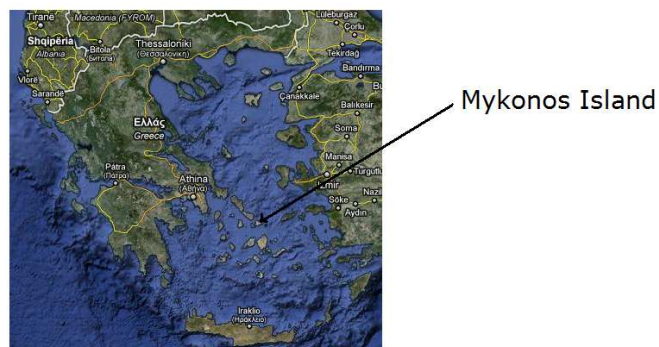
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<sup>1</sup> Mladá Fronta 7 Sedmička (29.7.2010) Last minuty letí díky nerozhodnosti

<sup>2</sup> Fires and problems in air transportation in Greece (22.8.2010) <http://www.novinky.cz/zahranicni/209322-recko-se-potyka-s-pozary-a-problemy-v-letecke-doprave.html>

## 1.1 Background

Greece attracts visitors since antiquity; the reason is because of its rich history, archaeological attractions and mostly, for its coastline and beaches. Greece consists of about 1400 islands, of which 169 are inhabited and only 78 of those have more than 100 inhabitants (Hellander *et al.*, 2006). Mykonos Island is considered as a small, charming and cosmopolitan, grouped into the Cycladic islands and surrounded by Aegean Sea. Mykonos is situated in south-eastern Europe and lies between other Cycladic islands as of Tinos, Syros, Paros and Naxos. Island has a length of 14 km and a width of 10 km which creates an area of 87 km<sup>2</sup> in total. Over than 20 beautiful, mostly sandy beaches can be found. On the island there are about 9,320 local Mykonian people who are working there permanently - over 6,000 of them are Greeks and the rest are foreigners. Majority of them is involved in tourism and the rest in construction, trade, fishing or cattle breeding (Mykonos & Delos, 2005). The capital city of Mykonos is Chora, located in the west coast of the island. Island of Petros pelican can be reached by airplane or by ferry. The distance from Greek capital city of Athens to Mykonos is 174 kilometres.



**Figure 1: Map of Greece & Mykonos**

Tourism in Greece is one of the most important industries for economy and it attracts over 17 million tourists each year, which is more than its population of over 11 million of inhabitants (in comparison with 1998, the number of tourists was over 11 million)<sup>3</sup>. Most of tourists are from United Kingdom, Germany, Italy and Albania which, in general picture, makes Europeans majority in tourists visiting the country (Ministry of Economy and Finance, 2008). Greek tourism composes of 15 % share of GDP (Hellander *et al.*, 2006) out of 234,5 billion Euros in total.<sup>4</sup> Greece joined European Union in 1981, the prices of products and services started to rise since the adoption of Euro currency in 2002 and substantial share in price hikes had also Olympic Games in 2004 (Hellander *et al.*, 2006). It is questionable how and to what extent tourism will be affected by current economic and financial crisis and debatable state bankruptcy in 2010. It is generally

<sup>3</sup> World Travel Organisation (1999) <http://geography.about.com/library/weekly/aa050899.htm>



known from media that the manipulation of statistical data, corruption and inefficient bureaucracy brought the country into problems.<sup>5</sup> The lack of significant data, according to which many strategic decisions can be made, is also subject of this document. Current crisis in Greece affected tourism by decreased number of tours and hoteliers react by price reduction. It is supposed that coastal destination will not be affected.<sup>6</sup>

President of Hotelier's Association confirmed that total number of tourists annually is over one and half million; including visitors coming by cruise ships (700,000). There are 40,000 bed places available on the island served by hotels and family apartments (Mykonos & Delos, 2005). In 2009, 160 hotels (rated from 1\* to 5\*\*\*\*\*) are providing accommodation. Total number of bed places in these hotels is 9,945 (The Hellenic Chamber of Hotels, 2010).

Mykonos belongs to the "top party destinations in Europe", famous for its cosmopolitan character, terrific shopping, nightlife and more nude and non-nude beaches per square mile. Rated also as a 5<sup>th</sup> between "top ten destinations in Greece"<sup>7</sup> as well as "top gay destination in Europe" attracts young people, honeymoon couples, homosexuals, and celebrities. The way the island is promoted is because of its main attractions such as nightlife, parties, clear blue sea and sandy beaches. With all of this precedence, it became a world-famous island. Video-clip of summer song *Stereo Love* (2009) from Edward Maya was made in Mykonos. Shooting on the island attracted film makers to produce movies, such as *Shirley Valentine* (1989) and *The Kings of Mykonos* (2010) which is actually the first movie having name of the island in the title. Recent Mayor of Mykonos Municipality, Mr. Athanaios Kousathanas (2010), said: "this option is the most modern, powerful and effective form of tourism promotion and communication for a destination".<sup>8</sup> The wave of interest about Mykonos Island increased in Australia, since the movie *The Kings of Mykonos* was shot under Australian production. It attracts journalists to bring their readers closer to Mykonos.<sup>9</sup>

One of the assumptions is that Mykonos Island, as a tourist destination, has lots of potential to grow in terms of sustainable development. Although Mykonos Island is a mass tourism destination which offers the same tourism product for all its tourists, it does not necessarily mean, that mass tourism is unsustainable (Wall, 1997). Sustainable development of tourism is about the way how tourism is managed.

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<sup>5</sup> Financial help to Greece <http://www.novinky.cz/ekonomika/199107-recko-se-docka-rekordni-pomoci-dostane-pres-tri-biliony-korun.html>

<sup>6</sup> Jiří Jelínek CK Fischer. <http://www.novinky.cz/ekonomika/202420-trh-zajezdu-se-propada-hodne-cestovek-skonci-rika-sef-ck-fischer.html>

<sup>7</sup> Top ten destinations of Greece <http://gogreece.about.com/cs/grksightseeing/a/bltop5.htm>

<sup>8</sup> Athanaios Kousathanas – Alexander, Kings of Mykonos 29th May 2010 <http://www.e-mykonos.gr/index.php?MDL=pages&SiteID=4361>

<sup>9</sup> Greek Islands: Mykonos <http://getaway.ninemsn.com.au/fseurope/greece/7947645/greek-islands-mykonos>

## 1.2 Sustainability issue

For more than two decades scientists and society deal with sustainability. The definition of sustainability was first stated in the Brundtland report - Our Common Future in 1987 admitted in 1992 during the Environmental Summit in Rio (World Commission on Environment and Development, 1992). It expanded the idea of the work "Club of Rome" in their report "Limits to growth" in the beginning of 70's. This report analysed definitive limits to the level of economic growth, alias economic and environmental disaster, for example the impact of humans in terms of population growth, depletion of resources and increased pollution are considered as a problem for the future (Meadows, 1972). Since then, scenarios of the future were designed and there is a difference between those two reports, as the older one was more catastrophic and showed the apocalypse of the consequence as the number of humans grows. Brundtland report is based on the concepts of basic needs and environmental limits (WCED, 1987). The report considered the ideas of what is needed from the society to be changed, to change the behaviour of people to feel responsible and make them aware of problems which all humans living on this planet are faced with. It is no more problem only of the government to which the trust is given and which convey the responsibility to solve the problems. Responsibility is an initial aspect of sustainability, as individuals, organisations and sectors act responsibly, and it is elementary to the implementation of sustainable tourism policies (Blackstock, 2008). Sustainability is a broad issue and primary image is to sustain the capacity of the Earth, maintain the well-being of people mainly in developing countries and to take care of resources we need to survive on and to preserve them for the future generations to come.

The concept of sustainability will permeate through the whole document. As indicated in the background, area in which the concept is going to be used is tourism industry, specifically on coastal tourism. Generally, tourism intervenes into many fields of science and refers to a huge amount of people who are related to it. One quarter of international arrivals annually corresponds to people who are directly employed in tourism industry. Tourism is recognized as a resource-intensive industry (Lu & Nepal, 2009) providing services in other industries, such as hotel industry, transportation, travel agencies and accompanying services. Therefore it might be obvious, that tourism industry is outsourced by other industries that create additional value for end—consumer.

### 1.3 Problem statement and research objective

Among positive impacts of tourism, there is an option to deliver economic benefits, but it also brings accompanying negative impacts in specific destination, such as congestion, disappearance of traditions, pollution of the area, environmental degradation, etc. Simply said, extension of positive economic benefits in tourism has negative social and environmental effects (Kavallis & Pizam, 1994). Pearce (1995) argued that coastal tourism is difficult to sustain in small-island environments, partly because of the large-scale nature of resorts and their concentration along intensive coastlines. Large-scale resorts are actually not a case of Mykonos. More importantly, foreign ownership and linkages between hotel operators, transnational air operators, cruise and tour operators and their off-island suppliers plays an important role in development (Britton & Clarke, 1987).

Aiming at managing sustainable tourism development on the island, it is necessary to consider the concept of sustainability, specifically having in balance three main dimensions: People (society), Profit (economy) and Planet (environment). In order to give life to this concept, the fourth value of institutional dimension is added, as suggested in model called "The prism of sustainability" (Valentin & Spangenberg, 2000). The main objective of institutional dimension is to strengthen participation of destination management, which is going to make these other three dimensions to balance. ***In case of Mykonos, problem is seen in decentralisation of stakeholders and lack of partnership within destination management.*** Destination management headed by local municipality is considered as institutional dimension. Tourism Marketing System in that sense involves all stakeholders who have or might have influence on development of the island. In relation to a problem statement, main research objective is to find out ***how "Tourism Marketing System" in Mykonos is constituted.*** It reveals stakeholders who might be involved in destination management and explore their willingness to participate in managing sustainable development on local level. Significant role in this study plays local authority, as one of the key stakeholders in destination management, which in particular can introduce own processes which go in line with needs of the destination. It is assumed that for this reason partnership with other private stakeholders is still missing and needs to be incorporated.

General problem stated for this research is lack of sustainability theory implementation into practice and thus opportunity loss to gain competitive advantage as a destination. Focusing on the institutional dimension, problem is seen in the direction of finding way to support sustainable development of tourism in Mykonos.

## 2. Theoretical framework

### 2.1 Definition of tourism

The age of tourism development began in 1950 and had gone through several phases of evolution. Within six decades, tourism development was influenced by the evolution of thinking and reflection of economic and political affairs (Mowforth & Munt, 2003). Travel and tourism, one of the oldest commercial enterprises, has become the most important and fastest growing economic sector, because of its significant contribution to GDP and providing job opportunities all over the world. According to World Travel and Tourism Council (WTTC, 2009) travel and tourism demand is expected to generate \$7,892 billion of economic activity worldwide in 2008, which contributes by 9.9 % to total GDP; and employment is expected to rise from 238,3 million jobs in 2008 which is 8.4 % of total employment worldwide. In Europe, which is considered as a single market, European Union is the largest travel and tourism economy in the world, which represents a share of 40 % of the global market.<sup>10</sup> World Travel Organisation forecasts international tourist arrivals to grow by 3-4 % in 2010 to reach almost one billion<sup>11</sup> in comparison to 880 millions arrivals worldwide in 2009.<sup>12</sup>

Tourism is a dominant economic sector for all small islands which they are dependent on. It offers principal source of employment and foreign exchange earnings. Because of the high dependency and restricted development, sustainable tourism development is seen as a solution to the problem of coastal tourism. Thus the question is how the industry of tourism can contribute to sustainable development.

Based on various motives and reasons of tourists to travel, many different types of "new tourism" concepts have arisen. We may recognize alternative-, sustainable-, eco-, responsible-, ethical-, social-, educational-, cultural-, pro-poor-, winter-, wildlife-, mountain-, community-based- and nature-based tourism (Mowforth & Munt, 2003). One might think about many other kinds of tourism. Reason why tourism is distinguished into countless types is because it attracts tourists for a specific way to travel. It attracts specific groups and tourism is better addressed from marketing point of view. If we look closely behind the meaning of all types of tourism, either tourists express their interest to travel or we can find common features of what is involved in concept of sustainable tourism. It includes awareness of what an individual tourist can be responsible for. Either for economic, social or environmental benefits to the destination he/she travels to.

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<sup>10</sup> World Tourist & Travel Council WTTC (2009) [http://www.wttc.org/bin/pdf/temp/progress\\_and\\_priorities\\_2008.html](http://www.wttc.org/bin/pdf/temp/progress_and_priorities_2008.html)

<sup>11</sup> WTO (2010) [http://www.unwto.org/media/news/en/press\\_det.php?id=5912&idioma=E](http://www.unwto.org/media/news/en/press_det.php?id=5912&idioma=E)

<sup>12</sup> WTO (2010) [http://unwto.org/facts/eng/pdf/barometer/UNWTO\\_Barom10\\_1\\_en\\_excerpt.pdf](http://unwto.org/facts/eng/pdf/barometer/UNWTO_Barom10_1_en_excerpt.pdf)

As far as an island is concerned, it is necessary to include aspects of coastal tourism. Tourism is considered as one of the leading economic activities in many small islands (Sinclair et al., 2005). In the study of Mykonos Island, tourism became developed through the last sixty years. The reason of smooth transition the island became a tourist destination, was the granite surface which was not very suitable for agriculture. By reason of island to be surrounded by water it implies that the movements of people living on the island are limited and also it lowers means of transport through which an island can be reached.

Due to increasing demand and tourists activities that are highly concentrated in time and space, coastal and island destinations experience an increasing pressure on their natural and cultural resources. It has an effect on seasonality, infrastructure and tourism operations in a coastal zone.<sup>13</sup>

There are many definitions related to tourism. For the needs of this study, WTO (2003) defined tourism as "the processes, activities and outcomes arising from the relationships and interactions among tourists, tourism suppliers, host communities and governments, and environments that are involved in the attracting and hosting of visitors". Thus, from this definition is clearly seen, that suppliers involved in value chain create certain production which is consumed by tourists. For the reason of sustainable tourism, supply and demand should create equilibrium. International tourist is considered as a person travelling to and staying in places outside his usual residence for a period of at least one night, but not more than one consecutive year for leisure, business and other purposes. Alike is regarded as persons travelling in their own country, but no more than six months (Fennel, 1999).

Tourism industry is volatile and vulnerable sector in terms of man-made (economic and financial crisis, industrial accidents, plane crashes, terrorist events) and natural disasters (hurricanes and earthquakes) but on the other hand tourism is resilient (Sausmarez, 2007). Managing destination in a sustainable way decreases possible risks and threats. Problem of seasonality in destination limits the capacity and resources to be fully used.

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<sup>13</sup> UNWTO <http://www.unwto.org/sdt/fields/en/destination.php?op=2&subop=2>

## 2.2 Sustainable development

***"Our biggest challenge in this new century is to take an idea that sounds abstract – Sustainable development – and turn it into reality for all the world's people."***<sup>14</sup>

In the beginning of this chapter, it is necessary to draw the attention to a broad concept of sustainable development. Sustainable development became a buzzword since 1980's. Environmental issues started to raise attention. In 1987, World Commission on Environment and Development published the report of Gro Harlem Brundtland *Our Common Future*. Sustainable development has been defined as "meeting the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987). It is necessary to say that different interest groups have adopted their own language on sustainability (van der Duim, 2010) and there is no exact agreement over the nature, content and meaning. It can be said, that this definition is very subjective, because those who are concerned, tackle the issue from various angles and therefore various stakeholders create their own interpretations. Thus there is no sense of definition, except for how it is used. This is supported in a research by Lu and Nepal (2009) who stated that "an important point about concept of sustainability is that it is defined, interpreted and implemented differently by individuals, stakeholders and social groups".

It can be argued, that needs of future generations are not known (Liu, 2003) but as far as sustainable development should contribute to the improvement of quality of life on long term basis, it is certain that the awareness among people arises.

The principle of sustainable development is applicable also to the tourism industry. Different stakeholders in tourism industry, such as public and private organisations, host community and tourists perceive sustainable development according to their own interests and views. From the definition above, it follows that present society needs to live according to the more sustainable lifestyle. Sustainable development can be measured by integrated system of sustainable indicators and for these reasons each community or organisation should suggest their own code of conduct (standards) according to which they expect tourists to behave.

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<sup>14</sup> Kofi Annan, Former General Secretary of the United Nations, UN (2001) United Nations Press Release: SC/SM/7739 "Secretary General Calls for Break in Political Stalemate over Environmental Issues" 15/03/01 cited by Daphné de Rebello (September 2003). International Conference on Education for a Sustainable Future: Shaping the Practical Role of Higher Education for Sustainable Development at Charles University in Prague, Czech Republic, 10 – 11 September 2003. Retrieved on June 2009: Available online at : <http://www.unesco.org/iau/sd/pdf/Rebello.pdf>

Sustainable development can be viewed from the perspective of production and consumption (van der Duim, 2010). Because this study is focused on supply side, for case of Mykonos and its destination management, "managing" perspective will be taken into account. This perspective refers to change in nature of production method with keeping the high level of consumption. The reason is that other three perspectives are focused on saving or preserving which leads to low level of consumption and utilization of production methods.

World Commission on Environment and Development (1987) emphasized that sustainable development is a dynamic process of changes. From the general point of view, people become aware of the Triple P (Planet, People, Profit), the need to show respect to the Planet (environment) and the People (social) that inhabit that planet in an economy – Profit (economic), (Kamann, 2004). Model of three dimensions was not enough to explain how tangible outcomes can be reached. Therefore, in the model "Prism of sustainability" by Valentin & Spangenberg (2000) institutional dimension is added. Institutional dimension appeals to institutions of the society, i.e. human interactions. In case study of Mykonos, by institution is meant destination management. It is necessary to note the interlinkages between dimensions (Valentin & Spangenberg, 2000):

- a) economic – social: "fair burden sharing",
- b) economic – environmental: "eco-efficiency",
- c) social – environmental: "human right to resource access",
- d) institutional – economic: "total material requirement" (justice),
- e) institutional – social: "participatory democracy",
- f) institutional – environmental: "care for the environment".

Explanation of sustainability dimensions has relation to sustainable indicators. Set up of sustainability indicators should be based on the interlinkage division. Selection of indicators should not be decision of external researcher. In relation to local needs and targets, indicators have to characterize the most relevant trends. Thereby there is an importance of destination management involvement in order to choose appropriate local sustainability indicators. Aim of the researcher in this study is to induce the need of measuring progress towards sustainable development and to show the distance to targets in quantified way. More information is given in the next chapter.

## 2.3 Sustainability tourism indicators

Indicators of sustainability are common set of objective indicators which were created by World Travel Organisation in order to assess the progress towards sustainability. Initiative to develop indicators of sustainable tourism began in 1991 (UNWTO, 2001). Aim of such indicators is to measure and monitor impacts (both positive and negative) over time with consideration of how to improve the sustainability of tourism (Blackstock *et al.*, 2008). These impacts correlate with dimensions of sustainability - economical, social, environmental and institutional impacts. Indicators have to be chosen according to their ability to measure sustainable development on a local level. In case of Mykonos, standards in local destination level have to be set up by destination management beforehand, the same as time-scope. Indicators are chosen according to availability of destination needs and other criteria such as easy measurement, feasibility, assessment and control execution (Valentin & Spangenberg, 2000).

For each indicator has to be determined area of dimension, unit of measurement, definition of overall meaning and source of data in terms of who will be conducting the measurement and analysis (Integra Consulting Services, 2007).

Monitoring of indicators attract the attention in terms of the degree of stability in the destination (de Sausmarez, 2007). Other reason to use indicators is to reduce vulnerability, measure risks and changes in performance leading to positive or negative results with a given base – target or standard. Such measurement will shed light on the coming situation. As for necessity of marketing planning, these sustainability indicators are set up in line with targets of the destination. Targets are considered as an achievement of goals, which destination of Mykonos would like to reach in a given period of time.

Effective communication and cooperation among stakeholders, regular collection of statistical data and its assessment, together with analysis after regular measurement of sustainability indicators are assumed as useful tools for further decision making for future tourism development, as well as for sustaining key values in a destination.<sup>15</sup> Monitoring, evaluation and publishing of the results is further important for destination management in terms of local planning and decision making. This study focuses on institutional dimension, i.e. strengthening participation among stakeholders in Mykonos. Therefore only sustainability indicators within interlinkages between “institutional – social” dimension are suggested, as far as participatory democracy is concerned.

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<sup>15</sup> UNWTO Indicators of sustainability for tourism destinations <http://www.unwto.org/sdt/fields/en/policy.php#2>



## 2.4 Sustainable tourism

Since tourism is the largest economic sector in terms of earnings and the number of people employed, according to Butler (1991) sustainable tourism is considered as a goal that the whole tourism must achieve in order to prevent further damage to nature. It can be argued that even if Butler sees sustainable tourism as an achieved goal, principle of sustainable tourism is a way to manage the tourism. Empirical research in the area of sustainability discovered the need to maintain the economic, social and environmental resources (Simpson & Wall, 2000). Sustainable tourism is defined as all types of tourism that are compatible with or contribute to sustainable development (Liu, 2003). It means that concept of sustainable tourism evolved in parallel to the concept of sustainable development (Commission of the European Communities, 2007).

Definition of sustainable tourism is retrieved from definition of sustainable development. It takes into account stakeholders directly operating in tourism. Thus, sustainable tourism constitutes "a process which meets the needs of present tourists and host communities whilst protecting and enhancing needs in the future" (WTO, 1996).

Therefore, the task of sustainable tourism is to ensure long-term economic operations, providing socio-economic benefits to all stakeholders with respect to an environment. Additionally, sustainable tourism requires informed participation of all relevant stakeholders and impacts on tourism should be constantly monitored. It should maintain tourist satisfaction and ensure a meaningful experience to the tourist, raising their awareness about sustainability issues and promoting sustainable tourism practices amongst them (WTO, 2004). In this paragraph it can be seen the importance of host community protection towards the future (supply side) and providing quality product for tourists (demand side).

The urgency of sustainable tourism development has a practical reason. Greece is a country with the fastest growth of tourism. It happened already 20 years ago, since Greece was visited by as many tourists per year as its own population (Pridham, 1999). Nowadays, a projection in next decade speaks about doubled tourist visits. As predicted in *Tourism 2020 Vision* by World Tourism Organisation in Europe, tourism will still grow by 3 % annually, on the other hand market share in Europe will decrease whereas tourism will boost in East Asia and Pacific.<sup>16</sup> Sustainable tourism can help to overcome many of the negative impacts associated with tourism development. Therefore higher focus on sustainable tourism development is needed in order to enforce actions.

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<sup>16</sup> World Tourism Organisation <http://www.unwto.org/facts/eng/vision.htm>

## **2.5 Tourist destination and resources**

Tourist destination is a basic unit of tourism, where the development occurs together with a providing of products and services. Destination provides particular tourist products and it can be also considered as a product itself. Tourist destination has to offer attractions to which tourist can be lured to come and it calls for maintenance which is the objective of destination management described in the chapter 2.6.1. For more information see tourist destination definition of World Tourism organisation (UNWTO, 2002) or Coltman (1989).

In order to develop tourist destination, basic infrastructure has to be established. It means providing accommodation, catering and other facilities; and ways of transportation to reach a destination. What makes a destination unique is its possession of attractions (Buhalis & Spada, 2000) and location. Attractions can be either nature-based or man-made based. List of activities on certain destination is a major allurements on which tourists decide to come. SNV (Netherlands Development Organisation) developed basic requirements for sustainable tourism development. Those are called 10A's comprising "attractions, activities, access, accommodation, actors, amenities, affinity, acts, ability and administration".

In relation to sustainable tourism development, if the interaction with society and environment is taken into account, development of tourist destination is closely linked to its natural environment, social interaction, cultural characteristics and welfare of local populations. Those are the key factors leading to destination development. The issue of sustainability is raised also when considering competitiveness. Competitiveness depends on sustainability, in a long term (Commission of the European Communities, 2007). In other words, in order to gain competitive advantage, tourism destination should be maintained in a responsible way and integrate sustainability into practice and implement tools and measures in destination management. According to example of Child (1995) who stated „Goose that lays the golden eggs“, tourism destination first needs to be protected before it can be promoted and marketed to tourists. The same can be said about sustainable tourism. Destination can not promote what is not there.

It is necessary to mention that "resources are a complex and dynamic concept, evolving with changes in the needs, preferences and technological capabilities of society" and it is important that "resources determine what object or site become a tourist attraction and its relative value in the market place" (Liu, 2003).

Tourism requires three levels of resources:

- a) attractions for tourists (natural, cultural and purpose-built),
- b) infrastructure to support tourist activities,
- c) physical and social settings (hospitality of the community).

Research on tourism resources should recognize its complex and dynamic nature in order to retain the balance between consumption, transformation and creation of tourist product.

Since tourism is based on providing services, several characteristics distinguish service from product (Laws, 2002):

- a) intangibility – customer can not test a service before purchase,
- b) inseparability – customer is part of the service in time and place and interacts with service provider during service provision,
- c) heterogeneity – service can be experienced differently by each customer,
- d) perishability – unsold service can not be stored by the service provider,
- e) ownership – consumer buys the experience, not a physical item.

Service can be experienced by each customer differently (heterogeneity) and it can result to his/her satisfaction or dissatisfaction. All depends on customer expectation and experience with the service. For more information see Parasuraman *et al.* (1991). When about to buy a service, it also requires the ability or motivation to evaluate it carefully, i.e. central route to persuasion, in other words, high involvement of customer in the process of thinking or examining the merits of the service which is related to intensive information search. For more information about Elaboration Likelihood Model see Petty *et al.* (2005).

## **2.6 Tourism Marketing System**

Term of Tourism Marketing System comes out from specification of Tourism Systems. According to Laws (2002), Tourism system is an approach to understand the interactions among tourism services. Intermediate stage connects inputs (supply side) with outputs (demand side). All components of the system are interlinked and the efficiency can be affected by changes to any of the components, because each component is being part of the system. In order to establish effective destination management of a tourism system, “the effects on outputs of any change to its inputs, and the ways in which its processes are organized” have to be understood (Laws, 2002). According to explanations of basic relations, Tourism Marketing System is taking into account subjective application for purpose of this study respectively.

Tourism Marketing System is considered as a system which covers management actions in tourism with an impact on marketing activities. It means using resources to create tourist product and promotion of product to be known to tourists. Tourism Marketing System concerns to those who might be willing to take part on decision making process about future development of the island in line with the responsibility of doing that. Those representatives are represented as stakeholders within destination management, while destination management is headed by public authority. Tourism Marketing System provides a framework to understand the effects on all stakeholders of the system’s operation. This system has also a relation with sustainable development as it represents the institutional dimension, i.e. how the development of tourism is organized and managed.

### **2.6.1 Destination management**

Destination management comes out of two concepts, first definition of destination, which is described in a chapter 2.5 and secondly definition of management. Management applied into destination includes the same steps such as planning, organising, staffing, leading and control. By reason of the destination management not being considered as an organisation or company as such, actors in tourism destination are described as stakeholders, both from public and private sectors, and from each level. Stakeholder is a person or organisation, who can influence or can be influenced by actions within destination management. None of destination management organisation can perform from economic, social and environmental point of view without understanding the expectations and needs of the surrounding society, and those of the stakeholders (Commenne, 2006). Basic objectives of destination management are to support

cooperation and relations within multi-stakeholder base in order to coordinate and manage sustainable tourism development - in this case Mykonos tourist destination.

In relation to sustainable tourism development, destination management is keeping in balance those stakeholders who are involved in the development and integrate policy approach where all stakeholders share the same objective (Commission of the European Communities, 2007). Decision making of destination management is based not only on the analysis *ex post*, but also *ex ante*, taking into consideration the changes in the economic market, mainly supply and demand, trends in tourism and environmental challenges. Destination management is thought as a unit with a given framework for action within it operates. Destination management headed by public organisations support private businesses to integrate their sustainability concern and sustainability awareness to tourists. Therefore destination management should present itself as a unit and to improve the product it sells - in case of Mykonos being considered as a product as such.

## **2.6.2. Stakeholder analysis**

Stakeholder represents those actors, both within the local communities and external to them, which have a stake or influence to the political and economic success of endogenous development (Backos, 1992).

As explained in the text above, destination management is part of overall Marketing Tourism System. It integrates stakeholders which have right to influence decision making in a local level. Main stakeholder is local municipality. The consequential aim of this thesis is to find out, whether other private organisations would be willing to cooperate and contribute by their actions to the development of an island. Success of destination management is influenced by the specific solution suitable for given tourist destination. It is necessary to invest into development analyses to see where the development is directed and how defined goal will be achieved. It is supposed that the cooperation and relations between stakeholders is based on trust and common interest. Creation of cooperation or partnership might be long—term process. To add, tourists are also considered as one of the important stakeholders. In case of changing needs, preferences and lifestyle of tourists, trends in tourism, and other factors, Marketing Tourism System should be prepared to adjust those changes.

The analysis of a destination management performance is a prerequisite for effective tourism planning. Sustainable tourism development should provide economic and social

benefits to all stakeholders and ensure viable and long term economic operations (WTO, 2004). Destination management has internal (domestic) and external (off-island) stakeholders who operates within one framework. By framework is meant an island where providers operate and offer their products and services. In order to measure performance in terms of sustainable tourism development, sustainability indicators for institutional dimension of sustainability are suggested in chapter 4.5.

Concerning to stakeholder analysis, tourism marketing system has two distinct levels: micro-level and macro-level. Micro-marketing includes providers of individual tourism products (hotels, transport companies and visitor attractions and travel agencies) as used in the study about Mykonos. Macro-marketing includes governmental agencies and co-operative organizations.

### **2.6.3 Tourism value chain analysis**

Referring to Porter (1985) and his work on competitive advantage, value chain analysis demonstrates creation of unique framework for strategic planning. Thus, competitive advantage comes from creating value for consumers, in this case, for tourists. Value chain is then considered as a collection of dependent activities provided by suppliers, more specifically a sequence of activities required to make a product or provide a service (Schmitz, 2005).

Concept of competitive advantage goes in parallel with sustainable tourism. Common factor of both phenomena are resources. Physical-, human-, capital and cultural resources; or/and infrastructure (Porter, 1990). Thereby competitive advantage relates to ability of a destination to use these resources over long-term and most importantly – effectively (Rouch & Ritchie, 1999).


For this purpose, main stakeholders operating as service providers in destination of Mykonos are chosen. There belong accommodation providers, tour operators and local travel agencies offering excursions; and transportation. Each of the stakeholders disposes of resource on the basis of providing value. Those three categories were chosen according to Middleton (1998) who classified them as main sectors directly involved in providing services. Direct involvement means providing services primarily for the purpose of tourism.

Concerning to Tourism Value Chain Analysis, see Figure 2, analysis concerns to product, economic leakage, ownership of resources and human resources. By economic leakage is

meant “all of the foreign currency earned through tourism which does not remain in the host destination”.<sup>17</sup> Economic leakage will be studied by indicators of ownership of a property, divided into local, national or foreign; the same is valid for workers employed mostly relevant for accommodation providers. Domestic or foreign ownership of resources is a key for decision making of destination management.

Aim of value chain analysis is to determine what critical factors for development are. One of the examples is assessment of local tourism services. In relation to sustainable tourism, development does not equal to growth. Thus instead of allowing massive construction of new lodging places, one could manage existing accommodation capacity.

TOURIST						CONSUMER
Accommodation		Excursions		Transport		SERVICE
hotel	rooms to let	tour operator	travel agency	transport ferry/plane/cruise	local transport	
company	family	company	family	company	family	OWNER
staff	staff	staff	staff	staff	staff	WORKER
construction, furniture makers		town & village		wholesalers		SUPPLIERS



**Figure 2: Tourism Value Chain Analysis (SNV, 2010)**

## 2.6.4 Corporate Social Responsibility

Concept of Corporate Social Responsibility had arisen with a need of companies to “integrate social and environmental concerns in their business operations and in their interactions with their stakeholders on voluntary basis” (Commenne, 2006). It can be used for reduction of any potential risks that might negatively impact on the value of tourist product (Dodds & Joppe, 2005).

Corporate Social Responsibility evolved in parallel with sustainable development, in which providers of services should share their profit into society and protect the environment in which they act. Both notions are recognized as framework providing access to increase quality of life in the long terms (Commenne, 2006).

<sup>17</sup> Economic leakage [http://wiki.answers.com/Q/What\\_is\\_an\\_economic\\_leakage](http://wiki.answers.com/Q/What_is_an_economic_leakage)

Corporate response model (van Dam, 1997) represents its utility to the macro-marketing environment in order to conceptualise the multi-dimensionality of the sustainability concepts. In other words, in relation to Tourism Marketing System, which cover stakeholders involved in tourist destination, relation among stakeholders and their allocation based on the particular group of interest is studied.

The aim is to get focused on impacts of tourism in a local level that would strengthen sustainable development and make a balance among the four margins to ensure the sustainable position within its tourism macro-marketing environment (van der Duim, 2004). In other words, destination in a local level should gain competitive advantage within international tourist market.



### 3. Research design

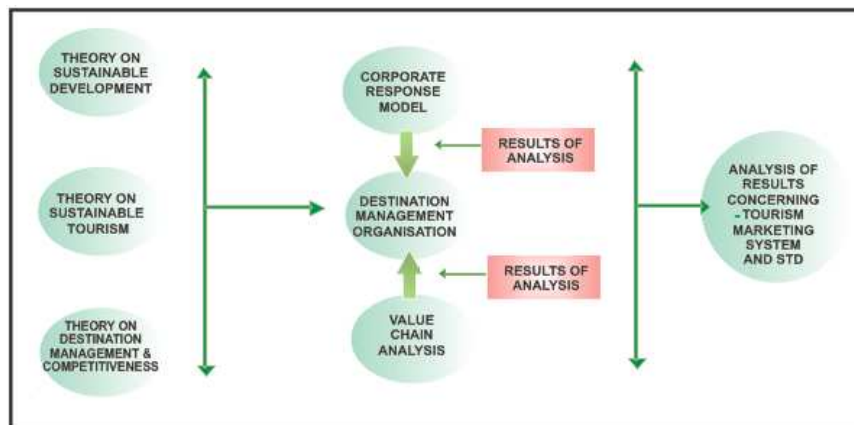
The following chapter gives brief introduction to the conceptual design in 3.1. Conceptual design contains the sources of information used for this study. The technical design described in chapter 3.2 includes steps how the research was done.

#### 3.1 Conceptual design

Conceptual design shows what, why and how much will be studied. It reduces the complexity of the topic and identifies the direction taken by the case study.

##### 3.1.1 Conceptual framework

Conceptual framework stems from the topic of this proposal **"Sustainable Development of Tourism in Mykonos"**. Figure 3 visualizes the model of "Tourism Marketing System".



**Figure 3: Conceptual framework**

This model is based on the literature on sustainable development, sustainable tourism and destination management represented by institutional dimension of sustainability. Destination management is part of "Tourism Marketing System" which in this case will be studied from two angles. One perspective is given from Value Chain, analyzing ownership of resources and values in providing services. Second perspective is from Corporate Response Model analyzing position and responsibility of stakeholders in terms of their actual and future perceived position. Analysis of both views will contribute to an evaluation of how "Tourism Marketing System" is constituted in Mykonos Island and its impacts on sustainable development of tourism.

### **3.1.2 Research questions**

The main focus of this research study is given to an institutional dimension. Institutional dimension is one of the other three dimensions (economic, social, and environmental) which are incorporated under the general term "sustainable development". Tourism Marketing System is term used for institutional dimension of sustainability in this case. Thereby the main research question is to find out **"How is Tourism Marketing System constituted in Mykonos"**.

#### ***Research questions:***

- 1) Who are stakeholders operating in destination of Mykonos?
- 2) What is the structure and relations between stakeholders?
- 3) How stakeholders see actual and future position of Mykonos?
- 4) Can private stakeholders benefit from cooperation in destination management?
- 5) What is the ownership structure of service providers in Mykonos?
- 6) What do stakeholders see as strength, weakness, opportunity and threats for Mykonos in terms of economical, social, environmental and institutional aspects?

## **3.2 Technical design**

### **3.2.1 Research strategy**

Research strategy firstly involved desk research, which was focused on a study of theories related to sustainable development, tourism destination, corporate social responsibility and value chain. Secondly, empirical research involved observation, interviews, and study of documents and archival material. Qualitative (empirical, primary) research was focused on case study. Case study best represents exploring processes, activities and events (Creswell, 2003). Further information about types of data to be collected is described in the next paragraph.

### **3.2.2 Research material**

Research material represented data which was collected. For a theoretical part, study of books and scientific articles took place. Main source were of Scopus scientific article database, WUR library and Internet. For the empirical part, information for this study came from secondary quantitative research and qualitative research. It comprised of:

- a) Observation – it included processes and activities on a site recorded as field notes; considered as a straightforward descriptive research,
- b) Interviews – in form of face-to-face semi-structured interviews with list of open-ended questions and visiting interviewed participants at their places. In-depth interviews involved questions which do intend to elicit views and opinions from participants. Interviews are useful when participants cannot be observed directly (Creswell, 2003). Such semi-structured type of interview explains the situation and helps to find out what is happening on the site and seeks for new insights (Robson, 2002),
- c) Public documents, elaborated past studies – those documents helped to monitor the situation from the past at a specific place,
- d) Databases, web pages – collecting data from Greek and European databases and websites in relation to a place.

There were two phases of data collection process. During the first site visit, the observation, documents collection and generating data from databases were conducted in September 2009. The second research visit in July 2010 included 10 interviews. Data obtained in interviews was recorded in a form of audiotape and subsequently transcribed. Data collected in those two phases was necessary for further data analysis.

Sampling strategy concerned to a site selected - an island of Mykonos, in the majority of cases the capital - Chora Mykonos and other places such as Ornos and Agrari. Interviews involved 10 participants and criteria for participant's selection were chosen from the most influential in the municipality (mayor, president of association, and senior employee in tourist department) to managers in their businesses and workers in tourism. In most cases it concerned to snowball sampling.

Outcome of the study is not developing a theory; study focuses on an attempt of theory implementation and studying the differences between theory and empirical findings.

### **3.2.3 Methods of analysis**

Data collection is a base for the data analysis. Since qualitative research is interpretative, the researcher made an interpretation of the data. Data was reduced to themes and evaluated subjectively. Unit of analysis were participants interviewed. Their responses were analysed in three following analyses - Tourism Value Chain Analysis, Corporate Response Model and SWOT analysis. Other sources of secondary data were analysed quantitatively based on databases - Greek Statistics and European database. Another analysis concerned to elaborated studies in the past. Lastly suggestion of suitable sustainable indicators had a goal to choose them based on local needs, feasibility and measurement possibilities. Such activity to suggest sustainable indicators had a practical reason for further implementation in a destination. It includes their evaluation, monitoring and control, in line with projected goals (standards) established by representatives of Mykonos destination. The performance is compared within defined time-bound. In sum, this research was applied and practice oriented, which gained knowledge in order to contribute to the solution of a practical problem.

### **3.2.4 Research procedure**

First research trip for a month to Mykonos included observation and was helpful for the second research trip in order to have overview about the destination. This made administration of interviews easier, because researcher and interviewees understood what exactly they were talking about. Interviewees did not need to explain basic information to a researcher; thereby the interviews were only focused on the important issues without disturbances. Knowledge and experience of a researcher contributed to an increase of credibility, as well as personal contacts from the first research trip. First research trip was very tough, nobody was willing to provide much information and obtaining significant statistical data was almost impossible. On the other hand, during

second research trip, all interviewees were willing to answer and provide as much information as they could. Thereby the two phase research with time space was considered as a big advantage.

It is necessary to note, that the second phase was influenced by current crisis in Greece. Quality of service providers was perceived surprisingly on a higher level, because of the responsibility for decreased reputation of their own country. Thereby the crisis also contributed to the willingness of interviewees to answer. The unit of analysis was 10 interviewees who captured various characteristics of the population. Since qualitative research does not look at representativeness, sample is relative to a broader context. Interviewees provided their opinions concerning to questions related to the research. Aim was to expose lies but since all the interviewee's answers had common denominator; and there were confirmation questions and other confirmation question checks, it is supposed to have collection of relevant and credible data. Transcription of data took quite long time, but there is no data loss in transcription process. All the interviews can be found in the Appendix I.

As far as the mentality of Greeks is concerned, there were no language barriers, personal miscommunication, no time pressure, confusion and there was real confidence and engagement into the research and provided information from the side of interviewees.

## **4. Results and analysis**

This chapter presents data analysis based on qualitative research and secondary quantitative research. Data was collected through observation, interviews with stakeholders (see Table 14 and Appendix I.), study of materials and databases. First insight is devoted to general information of Mykonos Island about its status quo in relation to development during last 60 years. Following chapter discusses elaborated studies and their comparison which were related to sustainable tourism. Practical analysis of self-gathered data starts in the next chapters explaining Tourism Marketing System (see Figure 5), its constitution and relation to management and development of tourist destination of Mykonos. Research questions are answered during the course of data analysis. Starting in chapter 4.6 Tourism Marketing System, questions 1-4 are answered, question 5 in chapter 4.6.3 and question 6 in chapter 4.7.

### **4.1 Background of tourism development in Mykonos**

Mykonos belongs to group of 24 Cycladic islands and despite its small area, it has been one of the most popular tourist destinations in Greece for many decades. The term Mykonos means "heap of stone" (Koritsas, 2004) because of its granite boulders. Tourism on the island started with the first excavations on Delos Island by the French in 1873 (Veronis, 2004). Delos Island belongs to Mykonos and since it was forbidden to stay in sacred island of Delos, tourists had to stay in Mykonos. Mykonos became tourist attraction after Second World War, because all people interested in Delos had to go through Mykonos. Since 1965 Mykonos was considered as an international tourist centre. Simultaneously with the tourist development, the limits of infrastructure were approaching. Since 1990 many big infrastructure projects started in order to upgrade the tourists' product and to prevent deterioration of the environment. Public works starting in early 90's tried to solve problem with lack of water and thereby desalination plants and two water dams are of service to ensure sufficient amount of water nowadays. The airport was built in 1971 and extended in 1997 to accept bigger planes on the island. European Union contributed by financing all of the public works and each project concerned its environmental impacts. The old port was also affected by the higher demand, and thereby new one started to be constructed in 1994 because of bigger boats and more cruise boats coming. All in all it took 16 years to build the new port. The area behind an old port is nowadays restructured as parking place and fishing boat shelter. The project to build marina was not accepted by locals and thus never built. It proves the local community to have strong power on tourism development on the island, whereof the local authority is aware. Many laws and regulations were set up in order to limit the construction of buildings on the island and in 2003 issuing of new building permits was

stopped in some land zone areas (Veronis, 2004). Current mayor confirmed that since 2005, new law does not allow to build new buildings in area of 80 % of Mykonos. It might be seen quite obvious, that the infrastructure is upgraded as tourism demand grows. On the other hand, taking into consideration coastal areas with massive construction of building like in Spain, Bulgaria, Dubai and other places, Mykonos is keeping its character and big hotel resorts can not be found there. Every building must have at the most two floors and be built according to Cycladic architecture, i.e. wooden white windows and doors painted in blue or red (Spachis, 1996). Because of the law, even local inhabitants are restricted to build new buildings. It concerns to the awareness of local community as well as local authority, having enough real property and need to sustain the natural beauty on the island. Mykonos grew up every year and notional limits have been reached. Private stakeholders still see the space to accommodate more tourists and to have supply and demand in balance; therefore local community has to be careful not to destroy themselves by tourism.

In the following Table 1, the evolution of inhabitants in Mykonos can be seen. It increased drastically within last 61 years by 365 %. Latest population census was done in a year 2001; thereby in a year 2011 Mykonos Island will know exact number of its present population.

Year	City of Chora Mykonos (number of inhabitants)	City of Ano Mera (settled family houses)	Rest of the island (settled family houses)	Total
1940	1 949	547	54	2 550
1951	2 535	256	155	2 946
1961	2 797	836	85	3 718
1971	3 009	225	225	3 459
1981	4 469	680	381	5 530
1991	3 935	814	1 430	6 179
2001	6 467	1 391	1 462	9 320

**Table 1: Development of inhabitants in Mykonos, 1940 – 2001**

Source: National Statistical Service of Greece (Papanikolaki, Manolis, 2005)

Year	Number of houses	Inhabited number of houses	Uninhabited yearly
1991	4 445	2 156	2 289
2001	7 237	2 825	4 412
% change	62,8	31,0	92,7

**Table 2: Number of permanent places**

Source: National Statistical Service of Greece (in Papanikolaki, Manolis, 2005)

In Table 2 is shown substantial increase of houses within a decade. Many houses were built just as summer houses, which are not inhabited during the off-season. Although the restrictions are about to limit number of new buildings, building permits can be easily abused.

## 4.2 Current consideration about Mykonos

It is necessary to note two facts, which influenced and will influence further development of the island. One of them is current worldwide crisis, the second involves local election. Greece was one of the most affected by crisis from European countries. Crisis has the consequences on tourist's arrivals. Since interviews were done in the beginning of the peak season in Mykonos, there are only few remarks on the crisis. One of them concerns to the tourist group of Greeks who are coming to an island mostly for weekends. On one hand, there is a fear, that not as much Greeks will be able to have vacation while Mykonos is very popular and expensive destination and Greeks are considered as one of the best visitors. According to local service providers, Greeks are very important target group, because they want to spend money and they can not stay at home. For that reason, they are about to choose cheaper destinations. One of the businessmen interviewed, commented the situation as some years ago, the season for Greeks was for 12 weekends and not only weekends. "They were easily staying for 5-9 days for vacation each year, and currently it is only 3 days". Peak season of July and August, which counts six to seven weekends, will certainly accommodate Greeks but not as much as in previous years. Local businessmen and authority are aware of the crisis and see the effects, but in comparison to mainland and other islands, Mykonos is not as affected by crisis. While sustaining other important target groups to come, the decrease of number of tourists is not going to be as significant. Locals made money out of tourism for years and they will be able to deal with the crisis, although spending of tourists will be less. Other reason is a name of Mykonos, its image and reputation. Mykonos attracts higher clientele with bigger budget. Some of the managers of hotels see the impacts of crisis and the only defense is to make special offers and improve the quality of product and service. There was already marked price reduction in tourism industry as the effect of financial crisis in Greece. In Mykonos, nobody is interested to decrease the prices, except in few businesses that are pushed to do it because of the situation. Mykonos is expensive destination, one of the most expensive islands in Greece. Crisis is also intensified by strikes and demonstrations in Athens. One might heard about air traffic strikes and demonstrations in the main port of Piraeus. Unfortunately Greek people protest in the sensitive places in Athens and the way of protests affect tourism industry. Businessmen in Mykonos assume that it will not take long until the Greek political situation will be stable. Generally, there is an optimism in both public and private sector, as crisis can help to clarify the position of the island, realize losses and go forward to recover the economy. Concerning to infrastructure projects, which were realized and financed by state, European Union and other resources, local authority is fortunate that main projects were done before crisis came.



The second fact is the local election in Mykonos municipality. It will take place in November 2010 and it can be considered as an opportunity and as a threat at the same time. After 16 years of functional period, during which current mayor was reelected and hold an office, there are new candidates to aspire for the post. Present representatives of local authority believe that the new active group will not get the majority, but on the other hand they welcome the initiative, because of the new views and opinions towards local politics and development. Since September 2010 candidates are going to be known to the public and all of them will present their plans.

### **4.3 Infrastructure and development of Mykonos**

Service providers operating in Mykonos see current situation about tourism development in Mykonos as a result of their self endeavour and by the management of local authority. Interviewees from private sector confirm that most of the development is getting organised from local owners of the properties and places. Local community is very strong on the island. Therefore they defend their tourist development by not allowing many foreigners to operate on the island. As it was indicated, situation is different in the capital city. Mykonos became developed island with infrastructure since new roads were built, water was ensured and electricity stopped to cut down every day. Thereby Mykonos is able to attract and to cope with many tourists. Majority of private stakeholders in their answers in interviews considered management of tourism development on a high level; otherwise there would not be so many tourists every year. On the other hand it is necessary to mention the maximum capacity. Based on opinions by interviewees, trend shows their perception about the capacity to be already reached. It concerns number of businesses on the island. Since Mykonos is living out of tourism, private sector as well as public sector is aware about being careful about further decisions which could affect the development of destination in the future. Thinking about tourism in a long-term period is what is assumed by sustainable development. Current critical situation is influenced by myopia of businessmen and quickly earned money. This has consequence on tourists, which are not repeating their visits. Since there are tourists to serve, there is no need to design a future. Thereby it is necessary for tourist destination to know, how to control what is going to be next. Since the infrastructure is almost done, the current focus will be given to frame the supra-structure.

## 4.4 Existing knowledge about sustainable tourism in Mykonos

Following chapter has its aim to analyse existing studies written about Mykonos. Studies mentioned development and sustainable tourism of a destination in some context, striving for some change in favour of future development of Mykonos. Goal of the comparison is to outline whether the suggestions were implemented in relation to current situation in Mykonos. Method of all three studies was qualitative analysis, fourth was analysed quantitatively.

First study is about Local Endogenous Development from 1992 which examined the tourism sector as it impacts the island of Mykonos and attempt to utilize the latest theory of local endogenous development to analyze the current state of the local economy (Backos, 1992). It also explored tourism as a means of development. Concerning to start of tourism development, by 1951 the island total population was over 3,500 and internationally known as a stopping place for travellers to Delos Island. Its inhabitants were at this time mostly cattle-breeders, farmers, seafarers and fishermen. By 1991, population increased to 6,300 inhabitants and tourism had become the single primary industry on the island. The author stressed the need of different policy implications for the local community, since the tourists locally may differ from the regional and national trends. Study highlighted a variable – ***the high degree of local interaction***, which is the factor most present in successful local development initiatives. At that time, the most important stakeholders who dictated tourism policy throughout Greece were Greek National Tourist Organisation and the Ministry of the Environment, Regional Planning and Public Works. Former mayor was pushing for policies that reflected local needs against the regulations by ministries and national standards. Government promoted land out of the city to foreigners and local inhabitants felt threatened about foreigners who would not respect the atmosphere on the island. National plans in 70's were to control size and scope of development on the island. Mayor defended interest of local inhabitants and tried to limit the size of hotels to a given number of beds, on the other side – government – favoured larger enterprises because they could run more efficiently. As a consequence, if locals would not be defending, it could threaten the island's unique tourist product. Besides locals, other stakeholders influenced development of tourism by being involved in producing the tourist experience for visitors, i.e. hotels, rooms to let, local shops, travel agencies and clergy. Since national plans included uniform actions for whole Greece, study prioritized to offer diversified product and unique tourist experience. It examined how tourist business and the social community can provide the tourist experience differently or to produce a unique experience itself. Study stressed the importance of local social community integration as part of the product beside the sun, sand and sea. Author exposed that tourist community had high level of decentralization

in production concerning to service providers, since stakeholders became dependent on the others in providing the tourists with the experience. Author suggested different ways of furnishing tourist product or experience by indigenous people acting in a special way through native culture; maintenance and supervision of local art and architecture; and cooperation among associations. What makes a product different is "community feel". In relation to demand side, in 70's, Americans created one fifth of tourist's arrivals to Greece. From 1972 it fell to only 2.2 % in 1991. It got balanced by boom of tourism in Europe, as dominated for British and German tourists. In general, 40 % of the arrivals reached Mykonos in the months of July and August in 1990. Author was worried about Greek Statistical Office as they provided insufficient data about tourists. Thereby local marketing strategies should not be based on national data. Data are not sent back to tourist police or to tourist department of local authority, thus local community must check to see who their market is. Concerning to employment, tourism had contributed to the wealth of workers since local ownership ensured that much of the wealth has remained to the locals. In 1992, 80 % of hotels were owned by locals. The number could sustain high since locals did not want to see foreigners buying their properties and opening hotels. They began to learn the trade and converted their family homes to hotels. Already in this study, concerning the demand side, in both national and local level, aim had become to limit the quantity and increase the quality of tourists. By the 70's, Mykonos was famous for the international jet-set and more affluent target groups. Thereby Mykonos has to keep higher market segments by differentiating the product in order to attract them. Since it was already elaborated in 1992, Mykonos has successfully differentiated its product to appeal to a certain "niche" crowd of tourists – yuppies, Italians, Americans, homosexuals and the jet-set – all who are willing to pay more for unique product offered. Product is differentiated by community feel. Although Mykonos is a cosmopolitan island, accommodation units are small to become part of the community. The overall conclusion is about Mykonos continuing its success.

Second study focuses on Butler's Tourist Area Life Cycle and Tourism Development on the Greek island of Mykonos (Spachis, 1996). It used this Tourist Area Life Cycle to analyze the development of tourism on Mykonos. The aim of a study was to expose the application of theory, and it showed Mykonos to be experiencing consolidation stage of evolution. It mentioned the development of Mykonos to be slow and steady and it assisted the island and its residents to avoid the negative impacts of rapid growth. Therefore host community and the destination had enough time to adapt to the changes brought by tourism growth. Since host community favoured economic benefits of tourism, it had consequence in changes in the socio-cultural structure of the community. For that reason Mykonos followed sustainable course of development and according to an

author, it succeeded. Author also highlighted the importance of life cycle model in the destination, as it provides understanding the evolution of tourist destination and it should further provide guidance for strategic decision making towards the adoption of a long-term planning. The study considered the impact of tourism development, which can be economic, socio-cultural and environmental. Thereby attempts should be focused in finding ways to reduce the negative impacts and increase the positive impacts. In respect of the impacts of tourism, author suggested carrying capacity concept as to manage the resources in relation to a number of tourists visiting a destination. Carrying capacity is used in the theory of sustainable tourism, as well as sustainable tourism encourages the participation of the local community in the process of tourism planning.

Third study takes the title of Sustainable Tourism for the Island of Mykonos (Koritsas, 2004). Aim of a study was to demonstrate that tourism in Mykonos has been developed in a sustainable manner. Some of the information from the second study were used and cited here. Author of this study was only mentioned planning and management techniques from the theory which a destination should utilize. As none of them was analyzed and implemented to a destination of Mykonos, or explained in much detail, this study can serve as an example for which techniques of sustainability evaluation can be used in the future.

According to another study of Kavallinis and Pizem (1994) about responsibility for environmental impacts on tourism in Mykonos, tourists consider both residents and entrepreneurs to be more responsible than themselves for the negative environmental impacts of tourism. It is due to the fact that sometimes tourists are not aware of the impacts they cause. Three groups have been chosen as being directly involved in the tourism industry – local community, entrepreneurs and tourists. They were asked about their perception toward negative environmental impacts of tourism of the other two groups. The results showed following division of responsibility for each group:

- a) Tourists' responsibility (littering the streets and beaches),
- b) entrepreneurs' responsibility (noise, traffic congestion, dumping of sewage, increased construction, air pollution, depletion of fishing and water shortage),
- c) residents' responsibility (traffic congestion, air pollution, water shortage and depletion of fishing).

In conclusion to previous four internal documents, which were studied, local authority and predominantly tourist department of municipality could take the advantage of students who were attracted to elaborate their research projects about Mykonos. Those studies were from years 1992, 1994, 1996 and 2004. Thereby students are considered as external stakeholders who could contribute to development by analyzing actual position from different perspectives and theoretical views.

## 4.5 Sustainability tourism indicators

Suggestion of sustainability tourism indicators has its aim to show the actual situation, to assess the progress towards sustainable development on the island of Mykonos over time and to see some changes (to the good or vice versa). Since this document focused on institutional dimension of sustainability, i.e. strengthening participation among stakeholders in Mykonos and its democracy, thus only sustainability indicators within inter-linkages between "institutional – social" dimension are suggested, see Figure 4. As it was indicated in chapter 2.2, selection of indicators should not be decision of external researcher. Nevertheless following examples are based on knowledge of researcher about destination of Mykonos, its needs and expectations. Sustainability indicators should be in line with targets, i.e. goals of destination management of Mykonos. The overview of issue area and indicators result from the analysis in next chapters. Thereby explanations of stakeholders and their participation can be found in the text below.

ISSUE AREA	INDICATOR
<b>a) employment and economic welfare</b>	
local involvement in tourism industry	employment statistics
	local residents employed in tourism
	ratio of local employees to total
	ratio of jobs men/women
<b>b) stability and seasonality</b>	
low numbers of tourists out of peak season	number of tourist over year
level of tourism business in community	number of bars and restaurants open
	garbage volume
quality of tourism product	perception of quality experienced by tourists
<b>c) physical planning and control</b>	
income sources for municipality	sources of income for the municipality
state of planning for the island	planning of destination
level of communication/coordination between authorities	level of cooperation
need for local involvement in the planning process	number of locals in project team (associations)
	level of awareness among locals of planning initiatives
	% of local population aware of local planning initiatives
<b>d) organisational</b>	
stakeholder participation (involvement)	number of meetings and attendance
	% of tourism enterprises participating in quality
	% of tourism enterprises participating in corporate social responsibility
	access of stakeholders in the decision making process
	interest to participate in sustainable tourism development

**Figure 4: Institutional-social dimension and its indicators**

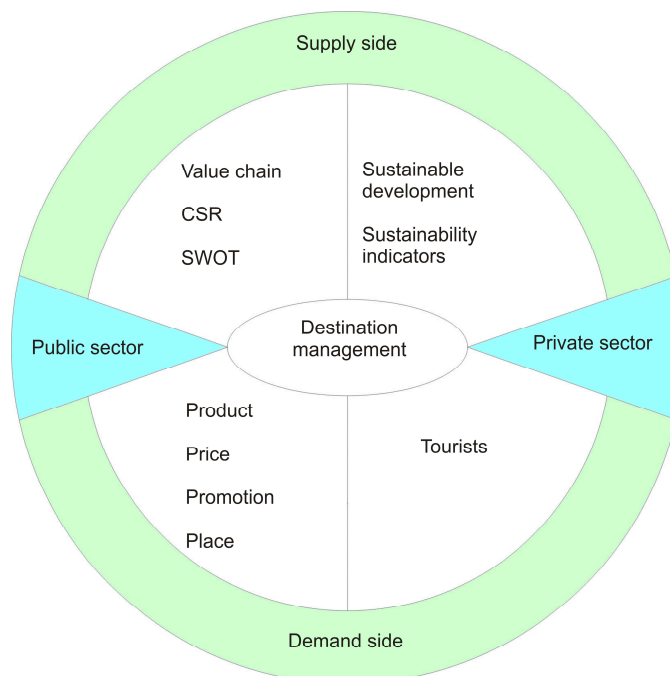
Source: UNWTO (2001), EUROSTAT (2009) and Spangenberg (2002)

## 4.6 Tourism marketing system

In relation to main research question **"How Tourism Marketing System is constituted in Mykonos"** the term was explained in theoretical chapter as a system gathering stakeholders within destination management who have rights to influence development and those who are influenced by their decisions. In this study, most of the focus was devoted to supply side of the system as to how the development of Mykonos is managed. It has also implication for the demand side of the system, as to what extend the tourists are attracted to visit this destination (by product, price, promotion and place). Thereby in next chapters, in relation to Tourism Marketing System: Value Chain Analysis, Corporate Social Responsibility according to a Corporate Response Model, and lastly SWOT analysis are elaborated.

In current chapter 4.6, following research questions are answered:

- 1) Who are stakeholders operating in destination of Mykonos? In 4.6.2,
- 2) What is the structure and relations between stakeholders? In 4.6.2,
- 3) How stakeholders see actual and future position of Mykonos? In 4.3 and 4.6.4,
- 4) Can private stakeholders benefit from cooperation in destination management? In 4.6.4.



**Figure 5: Tourism Marketing System**

Source: Compilation of a system based on needs of this study

Model of Tourism Marketing System graphically summarizes issues used in this study. Concerning supply side of the system, to which most of the focus was given, contained analyses of value chain, corporate responsibility model and SWOT. Results had consequences on sustainable development evaluation, within an island and in relation to the theory of sustainable development. Division of two basic groups of stakeholders was selected as private and public sector. Demand side include 4P's of marketing mix, comprising product, price, promotion and place and described in sense of understanding the total product of Mykonos, which has consequences on tourists, whether they will visit the tourist destination or not.

#### **4.6.1 Destination management**

Destination management is part of Tourism Marketing System, and role of destination management is to coordinate tourism development on the island. Analyses in the next chapters expose stakeholders, their structure and benefits from the cooperation, and also their perception about actual and future position.

#### **4.6.2 Stakeholder analysis**

Stakeholder analysis is a base for destination management. Stakeholders, who are operating in a destination of Mykonos, are described for a purpose of the possible cooperation toward tourist development in the island. It involves public authority, private sector and other parties. Each sector is part of Tourism Marketing System in a sense of the influence they might have on other sectors. In following chapter, description of most powerful stakeholders on a local level is taking part. In case of Greek island of Mykonos, it is also necessary to involve national parties, who still have big influence on decision making.

Mykonos is primarily dependent on tourism and there are certain groups (stakeholders) who defend their interests in favour of own benefits. Their common goal is to sustain tourism development on the island, as it is the only income they have from. In relation to destination management, aim is to expose the interest of each group, how do they perceive the current and future development, possible cooperation and involvement in decision making and the willingness to contribute to the development of the island.

<b>Government</b>	<b>Tourism Businesses</b>	<b>Cultural organisations</b>	<b>Associations</b>
Ministry	Tour operators	Churches	Hotel
GNTD	Accommodation providers	Museums	Rooms to let
Municipality	Tourists attractions	Galleries	Restaurants, bars and clubs
Tourist police	Shops, bars and restaurants		Boatmen
Port Authority	Car rent, Taxi	<b>Education institutions</b>	Cultural and folk
	Transport	Schools	
<b>Host community</b>	Publishers		<b>Chamber of Greek hotels</b>
<b>Tourists</b>	Other services		
<b>Visitors</b>	Sports		<b>Others, unclassified</b>
	Banks		

**Figure 6: List of public and private stakeholders operating in Mykonos**

First of all, public sector consists of local authority and its departments; local inhabitants and other public organisations as for example associations. Private sector involves all the businesses whose aim is to make profit out of tourism (hotels, rented rooms, tourist agents, rental cars, cruise ships, bars, restaurants and others). Those stakeholders operating on local level are considered as primary stakeholders, because they are operating in a destination and they are directly involved in tourism. Secondary, stakeholders are mainly public parties, namely government, who influences the development by laws, regulations and other rules. The more power the national government has, less the influence on development on local level. Research showed that Greek national level is centralised, thereby field of actions on local level is limited.

Still, in Mykonos both private and public stakeholders are powerful in terms of their familiarity. Over 9.320 local inhabitants and other undefined number of workers are taking care about the service of more than one million tourists each year. Tourists are also considered as stakeholders since they enter the Tourism Marketing System in the sense of making use of the services. Quality of the product is a result of (dis)satisfaction of tourists.

As it was mentioned, development of tourism started by local inhabitants. Until now, they are keeping their power even they did not hold position in local municipality. Some of the local representatives hold an office in the municipality and they take care about public affairs. Their main concern during last decades was to develop the infrastructure and it seems to be finished. Currently the other investments are planned to be put to the maintenance and building supra-structure.

Local authority represents the local community externally. For a reason of destination management, which is mainly headed by local authority, there is not enough representation. Mostly, one person has conflict of interest because advocates more



positions. On one hand, it limits the number of persons in decision making process; on the other hand, one person has conflict to represent different interests. To have a vital image, one person can be a mayor, president of rented rooms and businessman at the same time, or another person being president of hotelier's association, vice-president of Chamber of Greek hotels and businessman at the same time. Representatives of public sector admitted, that there is a need for unbiased representation.

Concerning to sustainable development, it is remarkable how many associations can be found in Mykonos. They defend the interest of economic and social parties. On such a small island operate:

- Hotelier's association (President: Andreas Fiorentinos)
- Association of rented rooms (President: current mayor – Athanasios Kousathanas)
- Association of boatmen (President: Sarantis Xidakis)
- Club bar and restaurant association
- Cultural-Folk association of Mykonian Women

Each association speaks in support of its members. There are certain activities for which an association holds a common interest. Descriptions of following two associations are examples of their role and significance. In relation to theory based on Middleton (1998) division of main stakeholders (accommodation providers, tour operators and local travel agencies offering excursions; and transportation), only association of hoteliers and boatmen were subject of interview.

***Hotelier's association in Mykonos*** was founded in 1980 and represents itself as a professional union which represents the interest of all hoteliers in Mykonos Island. There are 160 hotels in every category and they have to be members of the association. On one hand, it is claimed on necessity all hotels to be a member, on the other hand there are only 122 members registered. By law all hotels have to be members of the Greek Chamber of Hotels which counts 9,500 hotels all over Greece. For a small fee, which hotels have to pay annually, association represents their needs, interests and solve the problems with law, rates, new regulations, access to funding from European Union, or subsidies. All of this mentioned support has an effect for final product the hotels sell. Representatives of the association participate at international exhibitions and they promote the island and hotels. The association owns an office in an old port to serve tourists coming to an island without secured accommodation beforehand.

**Association of boatmen** was established in 1968 by reason of non-existent routes to Paradise and Super Paradise beach. It was founded by fishermen and up to the present day gathers 15 local boatmen. Their profit is created mainly from tickets sold to tourists. Tourists can take use of boat transportation between the beaches in the south coast, or participate in private daily excursions, or to visit Delos Island. Members of association own 14 boats and during the tourist season are of service to tourists on main south beaches tracing from Ornos, Platys Yialos, Paradise, Super Paradise, Agrari and Elia. They are not supported by local municipality financially but help them with other problems as far as contracts and taxes are concerned. Their new boat is glass-bottom boat bought in year 2010 and their vision is to make tours to Naxos and Paros. Considering local people to be one family and relatives which know each other in a whole island and all working in tourism, they are support and make promotion to each other. This is the advantage of the island and having business on Mykonos. There is no recorded statistic about number of tourists; it can be only seen by the profit. Generally, each year is worse for the association.

Figure 6 demonstrates stakeholders which are involved in tourism development and it partly answers first research question about stakeholders operating in destination of Mykonos. Depending on the analysis stakeholders were based on, stakeholders and their relations are explained in other chapters, Tourism Value chain analysis in 4.6.3 and Corporate response model in 4.6.2 as to avoid repeating them in stakeholder analysis. Chapter 4.6.2 summarizes the structure and relations of public and private stakeholders and thereby it answers the second research question, also partly in relation to other chapters.

### **4.6.3 Tourism value chain analysis**

In this chapter, tourism value chain is analyzed according to main stakeholders operating as service providers in destination of Mykonos. It concerns accommodation providers, transportation; and tour operators and local travel agencies. They were chosen based on their direct involvement in providing services primarily in tourism. Regarding to tourism value chain, ownership structure is studied in order to expose economic leakage, workers in tourism and product itself. They are considered as critical factors for further development and decision making by destination management. In other words, tourism value chain analysis is a tool for destination management. Since the priority in this study is given to supply side of the Tourism Marketing System, product and its characteristics are also mentioned in chapter 4.6.3.1 as part of the demand-side of the system.

In relation to sustainable development and its assessment and monitoring, statistical data is necessary to collect by destination management. In the analyses in the next chapters, some tables and graphs were used to demonstrate trends in numerical representation. It is important to note, that most of the tables needed time-consuming collection of data from different sources to compile time series. Numerical data are necessary for seeing trends of development, i.e. visit rate of tourists, average stay of tourists, number of hotels and their categorisation, number of planes and ferries.

#### **4.6.3.1 Tourist product of destination Mykonos**

Tourist destination of Mykonos can be characterised as unique product which is offered and promoted to tourists. There are many factors which make a destination unique, can not be found anywhere else or be copied. It is an original and cosmopolitan world-wide famous island with its own brand, with one tourist centre in the capital, narrow and tiny roads, beach bays and clear blue sea; its typical Cycladic architecture, "Little Venice", windmills, churches and monasteries; positive energy and hospitality of locals, unique service and quality; and capital old city as a maze of narrow streets where every one can get easily lost. These are the reasons why everyone wants to visit Mykonos once in a lifetime. All together with belonging island of Delos, nightlife, parties and distinctive lifestyle; there are never-ending stories of experience from tourists. Mykonos with its attractions creates the unique selling point, and local authority is proud of the awards to Mykonos as the best European island. See for pictures in Appendix III.

Product and subsequent tourism experience is created by different attractions placed on the island. Concerning to beaches, they attract different kinds of tourists who come in

certain months of the season. There is also difference between day and night experiences. Many one-day visitors are coming to an island from cruise ships, as emphasized by mayor – 700,000 tourists annually. This number of visitors corresponds with statistical data from Port of Authority which indicated 619,579 visitors in 2008, see Table 8. Regarding tourists, early in the beginning of tourist development, different target groups of tourists started to visit an island. There belonged gays, VIPs and rich people. It remained up to the present day and this is why Mykonos is so famous.

Since none of the research about target groups is familiar to a researcher, thus following division is based on observation, comparison with studies and perception of some interviewees. Mykonos is summer destination and most of the tourists are coming during the season from April to October. Remarkably, target groups differ in months and in place (beach) they choose to stay. Majority of tourists is divided according to following:

- April: German, British, older tourists,
- May: German, British, older tourists, homosexuals, VIPs,
- June: homosexuals, VIPs,
- July: youth, Greeks,
- August: youth, Greeks,
- September: homosexuals, older people, VIPs,
- October: older people.

Since Germans and the British create the majority of tourists, which also corresponds with national statistics, they are represented in this division. During peak season, destination is crowded by young tourists, whose reason to come are all-day-all-night parties in two famous beaches Paradise and Super Paradise, as well as in the capital city. As noticed in camping site, peak season is considered from 21.7. to 25.8.; and in that period prices for accommodation and other services double. Although the quality of service is the same no matter the price. VIPs like to come in calmer months of May, June and September, as they prefer to be hidden. Majority of homosexuals comes before and after peak season. This target group is considered important by reason of their tradition to come and repeated visits. As mentioned by one travel agent, they have creative jobs, no kids and thereby lot of money to spend. Greek tourists like to spend their holidays on the islands and also the majority can be seen in Mykonos during the peak season while they have holidays. Since Mykonos is very cosmopolitan and international island, long-distance tourists appear there, like Americans, Australians and the Chinese. Majority of youth is formed by Italians, as noticed and confirmed by interviewees, in Paradise and Super Paradise beach, particularly because of the parties.

With respect to seasonality, local authority does not want to take initiative to prolong it. Taking into consideration local inhabitants and other employees, who work for a season of 6 months in a row, prolongation would threaten the rest of the year during which local community keeps their traditions, follow their social life and prepare for next tourist season to come. "The only problem is July and August, during which 70 % of our revenues are generated and there should be more balanced allocation of tourists within season of 6 months", remarked President of Hotelier's Association.

As already mentioned above, beaches are one of the attractions in the island. The examples of beaches in the south coast shows, as division of target groups, special interest of tourists, which were created naturally by the disposition of the place:

- Agios Ioannis – family oriented and quiet beach; couples,
- Ornos beach – family oriented and quiet beach,
- Psarou – small beach, mainly Greeks,
- Platys Yialos – family oriented beach,
- Paranga – small gay beach,
- Paradise – party beach mainly for youth, loud music during the day, cheap accommodation in the camp site, therefore attracts many young people all around the world,
- Super Paradise – party beach for youth, loud music during the day, preferred by gays,
- Agrari – small, calm beach,
- Elia – long beach respecting homosexuals and heterosexuals, highest concentration of gays on the island,
- Kalafati – family oriented beach, one bigger resort.

Characteristics of the beaches were compiled from different sources, either publications or by observation of the researcher and confirmed during interviews. There are much more beach bays on the island, but only those located in the south were analysed since beaches in the north are not as attractive, because of the strong wind and no possibility to place sun beds and umbrellas there.

Concerning to Mykonos as a party place, it is generally equalled to other famous places, such as Ibiza (Spain), Ayia Napa (Cyprus) or Zrce (Croatia). Thereby Mykonos also received its famous name because of the parties attracting many young tourists.

Product of destination Mykonos is also connected with price and promotion. With regard to price, Mykonos is considered as one of the most expensive islands in Greece, whereas tourists and also public and private stakeholders operating in Mykonos are aware of it. As for example world-known brands of products, customers pay price for superiority. The same case is valid for destination of Mykonos. Although tourism department of Municipality is confident about Mykonos to be known to all people in the world, they continue to promote Mykonos in international fairs and exhibitions, travel magazines and other media. On the other hand, local community believes in "word-of-mouth", viral marketing and social media (such as Facebook, Youtube, Twitter, MySpace, Couchsurfing, TripAdvisor; blogging), thereby the expenses for promotion do not have to be as high. Tourist department of Mykonos municipality cooperates for years with MTC group consulting company from Athens<sup>18</sup>. MTC group conducts research studies about Mykonos with cooperation of Greek Universities and also designs promotional materials for Mykonos. For examples see Appendix II.

#### **4.6.3.2 Description of local inhabitants**

Social dimension of sustainable development assumes benefits from tourism to be delivered to local inhabitants of the tourist destination. In this sense, it is needed to define, who is considered as a local inhabitant. There are different levels of personal status: people who are Mykonian for about four and more generations, Mykonians born in Athens from Mykonian parents, people from Athens and started to live and to have business in Mykonos; as explained by representative of tourist department. In other words, there are two levels, firstly those who had a land and built a house and secondly those, who bought commercial land and built a property for the hotel or for the shop. These people can be Mykonians, Greeks or even foreigners. Latest population census was conducted in 2001 and by that date, 9.320 people were registered as local inhabitants, as Table 1 shows.

#### **4.6.3.3 Ownership of properties**

Ownership of property can be checked by cadastre office for property. The problem the local authority sees is that only a half of the island is covered. The importance of the ownership also relates to social dimension of sustainable development in terms of the control of locals over their businesses and in relation to economic leakage. Mykonos is very attractive place, considered as a machine for money. Thereby lots of foreign

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<sup>18</sup> MTC group consulting company [www.mtcgroup.gr](http://www.mtcgroup.gr)

investors are interested in having a business in Mykonos. The uncertainty about the situation is definitely a threat for the future. It is important to note, that Mykonian community is very strong. As indicated in other chapter, tourism development started from the initiative of private sector. Thereby local inhabitants running their businesses are not much willing to accept foreigners to make profit in Mykonos and leave with money. Different situation is in the capital of Mykonos, as opposed to the rest of the island. Capital city of Chora is considered as the only centre in the whole island. Most of the businesses like bars, restaurants, jewellery, clothes and other shops, are of foreign owners in Chora. As far as accommodation providers are concerned, the ownership is primarily in hands of locals. This information is commonly shared by all interviewees. The only big chain in Mykonos is Grecotel hotel, as the President of Hotelier's Association remarked. Hotels, rooms to let or other kind of accommodation is owned by Mykonians. Either run by one family with help of other relatives or there can be more families running one hotel together.

In order to have general view, from majority of opinions is clear, that around 70 % of businesses are Mykonian, 20% Greek and 10 % of foreign owners. The defence against foreign investors is regulations, and also the price. Price always rules and the consequence of it is the high price of properties, which in the final effect has consequence for local inhabitants. In case somebody is able to pay high price, other bad consequence on inhabitants is their willingness to give up their property. Although foreign investors pay rent, taxes and other fees, the profit leaves the island. Ownership of property is important issue since every business in tourism needs a property. Mykonos is only dependent on tourism and over 95 % of the local inhabitants work in tourism industry.

#### **4.6.3.4 Workforce in the destination**

Local inhabitants and those who come to work to Mykonos for a whole season are aware of hard work for seven months in a row. This is a tax people pay while working in tourism industry. For the rest of the year they can rest, enjoy social life and keep their traditions or travel. As one might find it interesting to work for few months and relax for the rest of the year, this is what Greece and working in tourism is about. Greek people live with this philosophy and the fact to forget the summer, because tourism is very important industry in Greece. Based on experience of a researcher, observation and interviews with local businessmen, this fact of conducting tiring work for months is confirmed. Hundreds of thousands of tourists are coming to Mykonos every year and in comparison to over 9.320 local inhabitants, there is a need for other workers. Thereby lots of foreigners are

coming to work on Mykonos. They are attracted by destination as to earn big amount of money. From the current situation it is obvious, that it is not easy anymore to find a job in Mykonos as compared to previous years, as few employees interviewed have experienced while searching for a job. On the other hand, those foreigners who found a job came for one reason. Although some of them have university degree, the situation in their country of origin is bad. For example, for high-qualified job in their country, they are paid less than for low-paid job in Mykonos. Thereby they gave up their careers in favour of money.

**4.6.3.5 Analysis of accommodation providers**

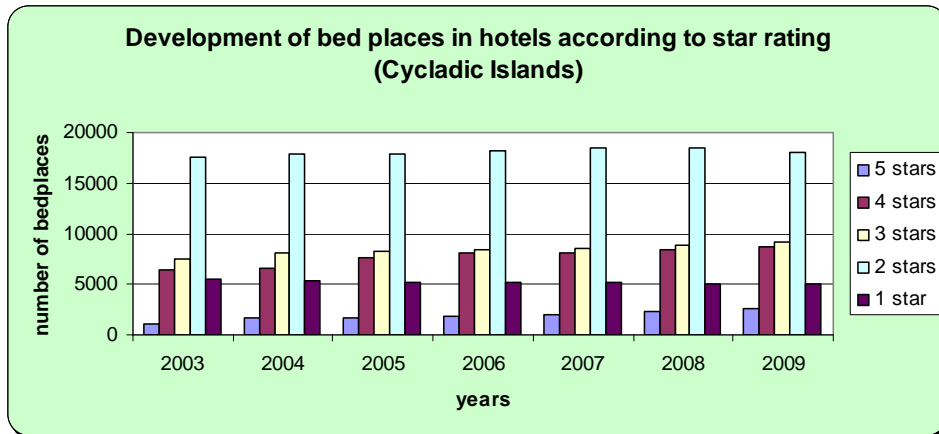
Accommodation providers are one of the main sectors involved directly in providing services. In the following graphs and tables, development of accommodation providers is illustrated.



**Graph 1: Development of bed places in hotels according to star rating, Mykonos**  
 Source: National statistical service of Greece

Graph 1 shows development of bed places in 1 - 5\* hotels in time span 2003 - 2009. Bed places in four stars hotels dominate in all last seven years. Increase of hotel units is not only represented by increase of establishments on the island, but also by transformation of hotels to higher (or lower) star rated hotels.





**Graph 2: Development of bed places in hotels according to star rating in Cycladic Islands**

Source: National statistical service of Greece

In comparison to the situation in Mykonos, it is interesting to see distribution of bed places in hotels in Cycladic Islands in Graph 2. Mostly bed places in 2 stars hotels prevail. This makes Mykonos significantly more luxurious destination in comparison to other Cycladic Islands.

In order to have clear picture about Cycladic Islands, this is a group of 19 main islands consisted of Amorgos, Andros, Antiparos, Thira (Santorini), Ios, Kea, Kythnos, Koufonisi, Milos, Mykonos, Naxos, Paros, Serifos, Sikinos, Sifnos, Syros, Sxoinousa, Tinos, Folegandros (Papanikolaki & Manolis, 2005).

Table 3 demonstrates number of hotels in Mykonos classified by star rating. Since 2003, development of hotel providers is stable in each classification with unsubstantial increase. In sum, there are 160 hotels providers in Mykonos, 10 of all are 5 stars hotels. 160 hotels in Mykonos make 16.5 % out of 972 hotels located in Cycladic Islands which can be seen in Table 5.

stars/year	2003	2004	2005	2006	2007	2008	2009
5	6	8	8	9	9	9	10
4	34	33	36	38	39	39	37
3	30	31	30	30	31	31	31
2	42	42	41	41	41	41	41
1	43	43	42	42	42	41	41
<b>total</b>	<b>155</b>	<b>157</b>	<b>157</b>	<b>160</b>	<b>162</b>	<b>161</b>	<b>160</b>

**Table 3: Number of hotels classified by star rating, Mykonos, year 2003-2009**

Source: The Hellenic Chamber of Hotels

Table 4 represents number of bed places in Mykonos in 2009, currently 9,445 bed places are offered by hotel providers. In comparison with Table 6 which illustrates total number of bed places in Cycladic Islands – 43,598. From all the bed places in Cycladic Islands it makes 21.7 % bed places located in Mykonos. The other islands were not studied, but over one fifth of bed places are concentrated in Mykonos Island.

Stars	Hotels	Bedrooms	Beds places
5	10	814	1 640
4	37	1 348	2 618
3	31	1 027	1 993
2	41	1 044	2 065
1	41	577	1 129
<b>Total</b>	<b>160</b>	<b>4 810</b>	<b>9 445</b>

**Table 4: Hotels classified by star rating, Mykonos, year 2009**

Source: The Hellenic Chamber of Hotels

The overall number of hotels in Cycladic islands in a year 2009 is 972, see Table 5. During last seven years, increase by 116 hotels signifies 13 % growth. Only 30 five-star hotels are located on Cycladic Islands, one-third of all is located in Mykonos.

stars/year	2003	2004	2005	2006	2007	2008	2009
5	3	15	15	17	18	23	30
4	113	114	130	137	137	142	148
3	145	154	158	163	167	175	186
2	410	417	422	429	437	436	432
1	185	188	184	182	183	178	176
<b>total</b>	<b>856</b>	<b>888</b>	<b>909</b>	<b>928</b>	<b>942</b>	<b>954</b>	<b>972</b>

**Table 5: Number of hotels classified by star rating, Cycladic Islands, year 2003-2009**

Source: The Hellenic Chamber of Hotels

The next Table 6, shows in more detail bed places in the area of Cycladic islands in year 2009.

Stars	Hotels	Bedrooms	Beds places
5	30	1 323	2 639
4	148	4 601	8 724
3	186	4 746	9 156
2	432	9 428	18 089
1	176	2 555	4 990
<b>Total</b>	<b>972</b>	<b>22 653</b>	<b>43 598</b>

**Table 6: Hotels classified by star rating, Cycladic Islands, year 2009**

Source: The Hellenic Chamber of Hotels

It is remarkable that 5\* hotels are situated in Thira island (Santorini), Syros and Mykonos, from overall Cycladic islands, whereas one third of 5 star hotels is in Mykonos.

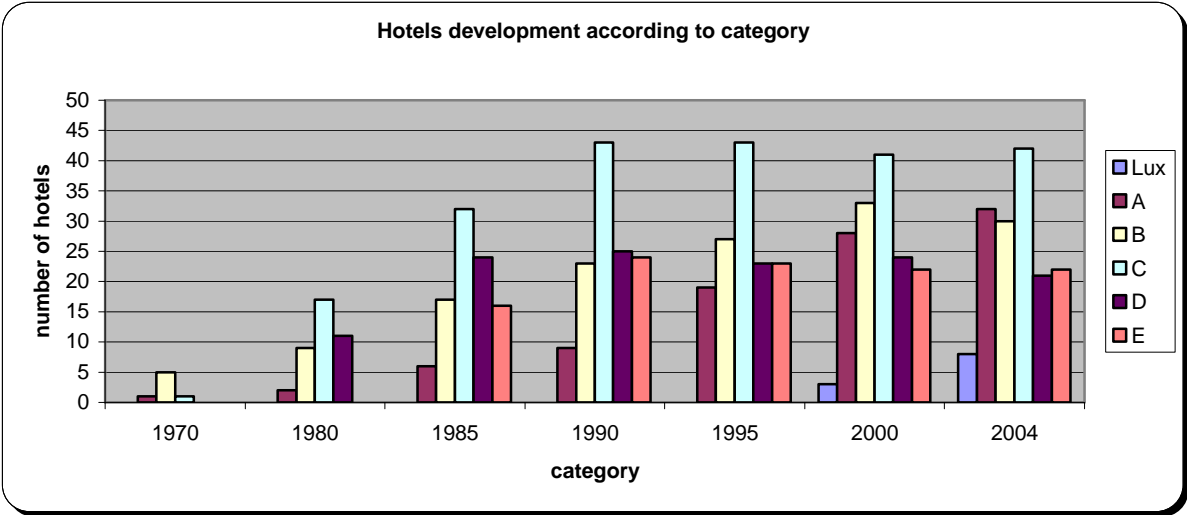
Following Graph 3 represents number of hotels in each category in Cycladic islands and Mykonos. Every hotel category in Mykonos is distributed equally (2-5\* hotels), significant importance play 4\* hotels within Cycladic Islands.



**Graph 3: Number of hotels by star rating, comparison of Mykonos to Cycladic Islands in 2009**

Source: Compiled from Table 3 and Table 5.

Last Graph 4 demonstrates the development of accommodation establishments in Mykonos during the years 1970 – 2004.



**Graph 4: Hotel development by categories in 1970 - 2004 on Mykonos**

Source: National Statistical Service of Greece (in Papanikolaki, Manolis, 2005)

Occupancy in collective accommodation establishments registered at the register of the Hellenic Chamber of Hotels (hotels, similar establishments and camping) have to submit online questionnaire about their monthly traffic tourist accommodation to Greek Statistic Authority or to tourists police in Mykonos. Since not all accommodation establishments in Mykonos are registered, there is much more bed places on the island than indicated. Among other establishments belong rooms to rent and other houses. For the reason of statistics, only part of the data about tourists and its specific tourist's indication is sent to Greek Statistic Authority. What is more astonishing is no data return back to Mykonos. Vague and insufficient data about tourists does not contribute to stable base for decision making of destination management.

#### **4.6.3.6 Analysis of transport providers**

Transportation is one of the important services, provided for tourists and local inhabitants in order to reach the island of Mykonos. Incoming and outgoing transportation is established by ferry transport or air transport. The frequency of arrivals and departures depends on the season, months and number of transport service providers. Following analysis is of great importance. In none of the newest study about Mykonos data was collected. It has the consequence for destination management to have general overview about the flow of tourists coming by any means of transport.

Mykonos can be reached either by ferry from port of Pireaus or Rafina (Athens) or from other islands in Aegean. Distance is about 174 kilometres and the journey takes approximately 4-6 hours, depending on the ferry. It is necessary to note, that the transport is in danger in case of strong wind. Following Table 7 represents number of tourists coming in/out on island of Mykonos by ferry. Most importantly, among tourists are counted workers and local inhabitants as well. This data was the only available about ferry transportation. There is a remarkable difference, as outgoing number of tourists is higher than incoming number of tourists. It can explain the combined transportation by ferry and airplane. Data with empty boxes were not available to retrieve. Data marked in orange signifies the peak season and corresponding highest influx of tourists. Latest data from 2005 about number of tourists coming to an island by ferry is 385,933 tourists.

Month	2004		2005		Total	
	outgoing	incoming	outgoing	incoming	2004	2005
January	6 235	7 453	6 456	6 897	13 688	13 353
February	6 780	7 839	6 797	6 890	14 619	13 687
March	9 989	12 329	9 876	9 978	22 318	19 854
April	31 359	28 739	34 890	30 785	60 098	65 675
May	32 789	29 983	52 462	44 697	62 772	97 159
June	29 895	30 709	82 363	72 575	60 604	154 938
July	<b>62 439</b>	<b>51 740</b>	<b>95 767</b>	<b>83 765</b>	<b>114 179</b>	<b>179 532</b>
August	<b>80 353</b>	<b>75 951</b>	<b>135 765</b>	<b>130 346</b>	<b>156 304</b>	<b>266 111</b>
September	57 658	49 839			107 497	
October	15 759	18 879			34 638	
November	8 329	9 783			18 112	
December	8 953	10 783			19 736	
<b>Sum</b>	<b>350 538</b>	<b>334 027</b>	<b>424 376</b>	<b>385 933</b>	<b>684 565</b>	<b>810 309</b>

**Table 7: Number of tourists coming in/out on Mykonos, 2004-2005**

Source: Port of Authority, Mykonos

By reason of other attraction which some tour operators offer, Mykonos is visited by tourists, which are coming to Mykonos by cruise ships. The difference is in the length of stay on the island, which is counted for few hours, sometimes it includes one night. In the Table 8, number of tourists visiting Mykonos is 619,579. The table also signifies an increase by 5.5 % in comparison to previous year. It was again not possible to retrieve longer time series of data.

Month	2007		2008	
	ships	tourists	ships	tourists
January	0	0	0	0
February	0	0	0	0
March	0	0	15	14 437
April	50	29 421	44	39 281
May	95	73 424	99	82 560
June	114	100 563	118	89 141
July	<b>127</b>	<b>99 662</b>	<b>125</b>	<b>110 747</b>
August	<b>123</b>	<b>113 254</b>	<b>117</b>	<b>91 982</b>
September	103	76 173	112	99 898
October	97	69 997	70	68 906
November	24	24 724	13	22 627
December	0	0	0	0
<b>Sum</b>	<b>733</b>	<b>587 218</b>	<b>713</b>	<b>619 579</b>

**Table 8: Number of cruise ships and corresponding tourists in Mykonos, 2007-2008**

Source: Port of Authority, Mykonos

Since airport in Mykonos was built in 1971, the quality of travel for tourists as well as for locals increased. Airport is located only 4 kilometres from capital city and has regular flights to Athens and Thessaloniki by Olympic Air, Aegean Airlines or Athens Airways.

During the season, other airlines from Western Europe provide direct flights to Mykonos, such as: Air Berlin, EasyJet, German Wings, Thomas Cook, Jetairfly, Transavia, Arkefly and others.<sup>19</sup> For such a small island, number of airlines is quite high. Among tourists mentioned in the tables below are also counted workers and local inhabitants. Empty boxes mean no data available. Firstly, Table 9 demonstrates number tourist's arrivals, whereas the Table 10 shows number of tourist's departures.

Month/Year	2003	2004	2005	2006	2007	2008
January	1 247	1 171	1 420	1 379	1 987	1 905
February	1 146	1 575	1 385	1 661	2 167	1 954
March	1 769	2 370	2 709	2 743	3 095	2 987
April	4 433	5 475	5 536	6 416	6 336	6 336
May	15 235	18 568	17 890	17 835	17 462	17 681
June	26 998	25 458	28 859	32 521	32 769	35 196
July	<b>37 349</b>	<b>37 823</b>	<b>43 771</b>	<b>46 821</b>	<b>50 681</b>	<b>50 285</b>
August	<b>47 209</b>	<b>42 680</b>	<b>41 708</b>	<b>51 014</b>	<b>56 868</b>	<b>54 710</b>
September	26 553	23 394		28 235	28 403	27 720
October	5 853	6 730		7 324		
November	1 565	1 611		1 797		
December	1 301	1 226		1 521		
<b>Total</b>	<b>170 658</b>	<b>168 081</b>	<b>143 278</b>	<b>199 267</b>	<b>199 768</b>	<b>198 774</b>
<b>Average</b>	14 222	14 007	17 910	16 606	22 196	22 086
<b>Average July/August</b>	42 279	40 252	42 740	48 918	53 775	52 498

**Table 9: Number of tourist's arrivals by plane to Mykonos, 2003 - 2008**

Source: Tourist Police, Mykonos

Month/Year	2003	2004	2005	2006	2007	2008
January	1 363	1 214	1 407	1 459	2 007	2 014
February	1 257	1 706	1 496	1 790	2 501	2 226
March	2 023	2 520	2 906	2 835	3 181	3 485
April	3 734	4 860	3 520	5 590	6 001	5 598
May	10 564	13 740	14 750	13 635	14 067	13 693
June	25 743	24 061	26 070	28 367	28 841	31 793
July	<b>33 413</b>	<b>34 499</b>	<b>39 099</b>	<b>43 390</b>	<b>45 976</b>	<b>46 746</b>
August	<b>48 958</b>	<b>45 799</b>	<b>44 299</b>	<b>52 830</b>	<b>59 970</b>	<b>58 578</b>
September	31 585	28 506		34 650	35 035	34 810
October	9 969	10 601		11 295		
November	1 872	1 920		2 111		
December	1 537	1 538		2 140		
<b>Total</b>	<b>172 018</b>	<b>170 964</b>	<b>133 547</b>	<b>200 092</b>	<b>197 579</b>	<b>198 943</b>
<b>Average</b>	14 335	14 247	16 693	16 674	21 953	22 105
<b>Average July/August</b>	41 186	40 149	41 699	48 110	52 973	52 662

**Table 10: Number of tourist's departures by plane to Mykonos, 2003 - 2008**

Source: Tourist Police, Mykonos

<sup>19</sup> World Lingo, Mykonos <http://www.worldlingo.com/ma/entravel/en/Mykonos>

In the following Table 11, the difference between tourist's arrivals and departures by plane is expressed. Positive number (black) means higher tourists departure than tourist arrivals. Negative number (red) means higher tourists arrivals than departures. It is needed to consider combined travels of tourists by airplane and ferry and also that local people are travelling by airplane or ferry. Significant months of April – July signifies most probably that locals do not depart from the island because of their tourism businesses and also because many international employees are coming to work on the island. Empty boxes mean no data available.

Month	2 003	2 004	2 005	2 006	2 007	2 008
January	-116	-43	13	-80	-20	-109
February	-111	-131	-111	-129	-334	-272
March	-254	-150	-197	-92	-86	-498
April	699	615	2 016	826	335	738
May	4 671	4 828	3 140	4 200	3 395	3 988
June	1 255	1 397	2 789	4 154	3 928	3 403
July	3 936	3 324	4 672	3 431	4 705	3 539
August	-1 749	-3 119	-2 591	-1 816	-3 102	-3 868
September	-5 032	-5 112		-6 415	-6 632	-7 090
October	-4 116	-3 871		-3 971		
November	-307	-309		-314		
December	-236	-312		-619		
<b>Total</b>	<b>-1 360</b>	<b>-2 883</b>	<b>9 731</b>	<b>-825</b>	<b>2 189</b>	<b>-169</b>

**Table 11: Difference between tourist's arrivals and departures by plane in Mykonos, 2003 - 2008**

Source: Compiled from Table 9 and Table 10

Local airport is available for charter flights during the season, aero taxi or private flights. In the Table 12, number of flights is demonstrated, although from the data source it was not for sure whether this table speaks in number of flights or tourists.

Month	2003			2004			2005		
	charters	Aero taxi	private	charters	Aero taxi	private	charters	Aero taxi	private
January		48	7		76	6		30	,
February		48	20		70	15		38	13
March		60	19		86	28		50	37
April	6	106	75	16	74	47	8	46	57
May	168	130	188	176	94	141	172	40	117
June	302	228	204	237	120	246	294	114	212
July	416	308	274	367	194	254	460	308	398
August	546	244	266	517	180	351			
September	344	216	152	268	104	158			
<b>Total</b>	<b>1 782</b>	<b>1 388</b>	<b>1 205</b>	<b>1 581</b>	<b>998</b>	<b>1 246</b>	<b>934</b>	<b>626</b>	<b>834</b>

**Table 12: Number of flights by charters, aero taxi and private flights, 2003 - 2005**

Source: Tourist Police, Mykonos and Greek National Tourist Organisation

Local transportation on the island is ensured by very regular bus transportation, adapted to the needs of tourists, it means depending on the season and month. Prices are affordable and busses reach almost every south beach on the island. Except public bus transportation, majority of hotels offers private transport from/to port or airport. Tourists can take advantage of many car rentals, motorbike rentals or taxis. Although there is huge selection of means of transport, local authority considers taxis as not enough during the peak season. On the other hand, for such a small island, traffic means real problem, especially during peak season. Local authority tries to persuade tourists, mainly Greeks, to come to an island without their own car. That is to say, it has consequence to lack of parking places. Narrow streets are unique on the island and local authority does not want to make them bigger, even if in the peak season, the traffic is quite heavy. It is assumed that with bigger roads, bigger busses and cars would come. Plan of municipality for the future speaks about fixing number of cars, because at present, even if the new parking place was built, there are still not enough parking places. On the other hand, as far as famous, rich tourists and jet-set visiting Mykonos are concerned, they will certainly not use public transport. Although 32 taxis operate on the island, for a peak season there is a need for at least double amount. Since there is strong north wind, it can not be said that emissions pollute the environment. Other mean of transport on the island are boats which carry tourists along southern beaches of the island.

#### **4.6.3.7 Analysis of tour and excursion providers**

Travel agencies having Mykonos in their offer and incoming travel agencies, which operate directly on Mykonos, participate in the tourism value chain to create the product. TUI, one of the biggest travel agency also takes part in Mykonos, since Grecotel hotel in Platys Yialos can be found and Arkefly airline provides flights to Mykonos; both are part of TUI agency. Concerning to sustainability, in western European offices of TUI, each has sustainable tourism department. In case of Greece, sustainable tourism department is missing. Observation and interviews showed, that each hotel operating in Mykonos has own contracts with travel agents abroad. Depending on country of origin of the travel agency, majority of tourists are coming from there. On the other hand, there are hotels, which are specifically focused on certain target groups. Some hotels are typically gay oriented as the destination of Mykonos is considered as gay Mecca. The aim of this chapter is not to analyze all the travel agents who have the contracts with hotels in Mykonos. The importance lies into the findings that tourists are visiting an island mostly independently. Thereby the assumption of Mykonos being mass tourism island is rejected.



On the island operate incoming tour operators, providing tourists with various tours and excursions directly on the island. All of them are situated in the capital city and those are the examples of local operators with long tradition: Island Mykonos Travel, Delia, Likouris, Mykonos Travel Agency, Windmills & Travel Tourism, Kyklomar Tours and Red Travel Agency. The number of agencies is again notable, although there are more.

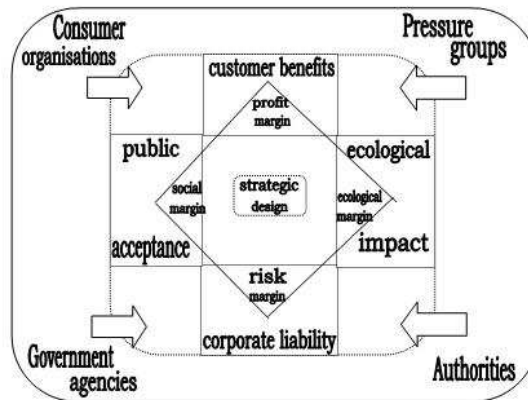
In general terms, as far as the ownership is in hands of locals, help of foreign workers contributes to create the product of Mykonos. This leads to the result of having control over the local needs and power of locals for further development and decision making. Therefore the fifth research question about ownership structure of resources by service providers is answered.

#### **4.6.4 Corporate Responsibility Model**

The relation between Corporate Social Responsibility and concept of sustainable development is about sharing common characteristics. In this respect, Tourism Marketing System covers stakeholders involved in tourist destination operation and within Corporate Social Responsibility, their role, field of actions, current and future position is analyzed. Since each group of stakeholders advocate different interest within a system, in favour of tourism development, it is needed to strengthen their participation. Their involvement in the system might contribute to decision making and further creation of the picture of Mykonos in the future.

It is assumed that with societal and environmental concern, the demand for more sustainable destinations will increase (Dodds & Joppe, 2005). Those destinations which applied fast growth in terms of overbuilding can not gain competitive advantage since tourists prefer destinations having clean environment and preserved cultural and natural attractions. There are several new trends, as concept of 3E instead of 4S (sun, sea, sand and sex). 3E consists of experience, education and entertainment. The reason of taking trends and tourist's behaviour into consideration is the competitive advantage, in the other words, sustaining tourists to come and to keep the profit, in order to maintain local inhabitants and their businesses, with intention to protect environment and preserve natural beauty of the island.

For the purpose of this study, Corporate Responsibility Model (van Dam, 1997) is used in limited scope. This model helps to analyze the destination, thereby determines groups of stakeholders with different interest. Strategic design which is depicted in the model, see Figure 7, is in line with described supply side perspective of Tourism Marketing System.



**Figure 7: Corporate Response Model (van Dam, 1997)**

In the model, relations between interests of stakeholders and their margins correlate with four dimensions of sustainability. It should expose issues at stake which inhibit the island toward sustainable development, followed by creation of balance and values for stakeholders based on their needs and expectations.

In relation to Corporate Social Responsibility, consumer awareness about environmental and social issues has arisen, together with the pressure from EU regulations and national government. Thereby, in order to increase benefits for tourists, production should be sustained and profit maximized, taking care about the society and environment in the destination, based on legal laws and regulations.

With regards to these predispositions, two accommodation providers are illustrated in order to see their efforts towards the society and environment within they act. First example is Grecotel hotel, the only Greek chain group of hotels, one operating in Mykonos, Platys Yialos. Its name itself is remarkable, indeed. Gr-eco-tel, as combination of Greek ecological hotel, set up its environmental policy since 1994<sup>20</sup>. There is no doubt about their performance within waste management, recycling and pollution control, it seems their last goal of public awareness and communication is still missing. It has been observed during the hotel visit since the manager was not able to explain abstract goals of the policy based on every-day settings. Foreign ownership and environmental policy serves for gaining competitive advantage for them only, not for the destination. On the other hand, public awareness and communication is of great importance, in which not only accommodation providers but also other stakeholders within private sector could implement their own policies. In that case destination management is involved in this process to share this knowledge and to let others to make profit out of it. Second example is Mykonos Grand hotel, which has Mykonian owner and the situation towards

<sup>20</sup> Internal documents provided by Grecotel, Athens

the environment and society is different, in other words, management of the hotel cares about Mykonian local community<sup>21</sup>.

Based on the interviews, service providers operating in Mykonos see current situation about tourism development in Mykonos as a result of their self endeavour and by the management of local authority. Future position of private stakeholders refers to current crisis, as they can not provide longer view. Their actions are profit and short-term oriented and majority requires better tourism plan. In relation to elections, stakeholders from private sector expect new views towards development. The opposite view is given by public authority, who takes crisis as a point to consider current position of the island and extend their field of responsibilities and actions by new regulations coming from the national level. Thereby it will enable to local authority to concentrate to local planning more than in the past, since centralised national government directed development of tourism to all destinations. Those are the views from stakeholders about their actual and future position of Mykonos; thereby third research question is answered.

Concerning to fourth research question about benefits for private stakeholders from cooperation in destination management, it follows that local authority, which is in charge of managing destination, misses the organisational element. It lacks person who would coordinate actions, i.e. establish partnership, their opinion exchange and common views for development. There is much more initiative from private sector to be involved in public affairs, on the other hand public sector is willing to invite ideas, opinions and suggestions from private stakeholders, but since the range of actions of local authority is limited by national level anyway, local authority wants to establish such cooperation with private sector after the new regulation from national level. As it was mentioned, this regulation will provide more responsibilities to local authority. In sum, destination management is the question of near future, in order to gain competitive advantage as an island together with satisfaction of local needs and mutual benefits for both parties. It is also important to note, that such a small island operating in a small-scale level provides a space for informal communication. Taking into account the familiarity and hospitality of Greeks, destination management might seem informal; thereby the local issues are discussed anyway more in natural ways. Based on the theory, it lacks the structure and organisation; on the other hand, it is proved that Greek society is not much willing to accept new things.

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<sup>21</sup> Mykonos Grand Hotel, Corporate Social Responsibility <http://mykonosgrand.gr/green-practice>

## 4.7 SWOT analysis

SWOT analysis is a simple tool used to identify status quo of the destination. Strengths and weaknesses are internal factors describing actual situation while among external factors belong opportunities and threats, which are considered as factors happening in the future. This analysis exposes key factors dividend into four dimensions of sustainability.

<b>Economic aspects</b>			
Strengths	<ul style="list-style-type: none"> <li>- image, charm, tradition</li> <li>- worldwide famous island</li> <li>- developed and cosmopolitan island</li> <li>- operating and advanced infrastructure</li> <li>- employment in tourism</li> <li>- attractions for different target groups</li> <li>- main target group of VIPs and gays</li> <li>- diverse product of Mykonos</li> <li>- day and night life difference</li> <li>- party island</li> <li>- high standards in service</li> <li>- hospitality of Greeks</li> <li>- airport and new port</li> <li>- superiority of local businesses</li> <li>- unique Cycladic architecture (white &amp; blue experience)</li> <li>- famous Little Venice and windmills</li> <li>- small beach bays</li> <li>- Delos island</li> <li>- local bus transportation</li> </ul>	Opportunities	<ul style="list-style-type: none"> <li>- crisis (perceived/real)</li> <li>- reveal current position</li> <li>- mere category effect</li> <li>- luxury hotels</li> <li>- direct flight connection with European cities</li> <li>- visitor management</li> <li>- other sustainability techniques</li> <li>- complete coverage of cadastre office for property</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- expensive island</li> <li>- peak season</li> <li>- off-season</li> <li>- fall of electrical power system</li> <li>- ferries in danger while strong wind</li> <li>- rocky &amp; dry island</li> <li>- international island (lack of Greek culture)</li> </ul>	Threats	<ul style="list-style-type: none"> <li>- crisis (economic, global, financial)</li> <li>- economical and financial myopia (money)</li> <li>- demonstrations and strikes</li> <li>- dependency on tourism only</li> <li>- globalisation</li> <li>- decay of tourism and shortage of tourists</li> <li>- more cruise ships</li> </ul>
<b>Social aspects</b>			
Strengths	<ul style="list-style-type: none"> <li>- cultural events</li> <li>- cultural association</li> <li>- one centre of Chora Mykonos</li> <li>- international events</li> <li>- improved quality of life</li> <li>- no language barriers</li> </ul>	Opportunities	<ul style="list-style-type: none"> <li>- willingness to contribute to local planning</li> <li>- research studies</li> <li>- promotion of local products</li> <li>- education of locals about sustainability</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- peak season</li> <li>- hidden locals (6.000/1.500.00 tourists)</li> <li>- commodification of culture</li> <li>- noisy spots</li> <li>- crowd</li> <li>- alcohol &amp; drugs</li> <li>- unsociable hours for workers</li> <li>- limited career prospects for locals</li> <li>- seasonal basis of jobs</li> </ul>	Threats	<ul style="list-style-type: none"> <li>- new generation</li> <li>- changed tourists behaviour and preferences</li> </ul>

Environmental aspects			
Strengths	<ul style="list-style-type: none"> <li>- infrastructure projects involves environmental impacts</li> <li>- buildings (construction and limitations in number)</li> <li>- narrow roads (natural barrier)</li> <li>- clean sea water and sandy beaches</li> </ul>	Opportunities	<ul style="list-style-type: none"> <li>- new flora; plants (olive trees) for free to locals</li> <li>- limitation of cars entering the centre of Chora</li> <li>- limitation of cars entering the island</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- peak season</li> <li>- strong north wind</li> <li>- waste</li> <li>- cars in the centre of Chora</li> <li>- no footways for pedestrians</li> </ul>	Threats	<ul style="list-style-type: none"> <li>- weather</li> <li>- extension of cars</li> <li>- strong air traffic</li> <li>- sea level rise</li> <li>- global warming</li> </ul>
Institutional aspects			
Strengths	<ul style="list-style-type: none"> <li>- active associations</li> <li>- involvement in institutions</li> <li>- awards</li> <li>- laws &amp; rules</li> <li>- limitations</li> </ul>	Opportunities	<ul style="list-style-type: none"> <li>- elections (November 2010)</li> <li>- local planning and strategy</li> <li>- cooperation with government</li> <li>- cooperation with locals</li> <li>- CSR strategy (for businesses)</li> <li>- sustainability indicators implementation</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- conflict of interests (one person advocates more positions)</li> <li>- confused signs</li> </ul>	Threats	<ul style="list-style-type: none"> <li>- centrally governed planning and national strategies</li> <li>- part of the island is state (risk of sale)</li> <li>- EU policy</li> <li>- loss of control over development</li> </ul>

**Table 13: SWOT analysis of tourist destination Mykonos divided into dimensions of sustainability**

SWOT analysis introduced in Table 13 is only descriptive, but contains all the factors retrieved during observation and interviews. For further in-depth evaluation, the combination of strengths, weaknesses, opportunities and threats is possible to analyze. In general, strengths indicate actual internal position of an island while weaknesses constitute way of poor organisation and thereby remedy is needed. Opportunities represent chances in the future, which in certain time will turn into strengths or weaknesses, in case of opportunity to be used. Threats are really hard to predict, but they could be expected to happen. In each dimension of sustainability strengths and opportunities prevail. Thereby the aim of destination management is to minimize weaknesses and get prepared for possible threats. Compilation of SWOT analysis answered sixth research question about what do stakeholders see as strength, weakness, opportunity and threats for Mykonos in terms of economical, social, environmental and institutional aspects.

## 5. Conclusion

Mykonos is developed tourist destination with advanced infrastructure with ability to accommodate one tenth of tourists currently arriving to Greece. World Travel Organisation predicts double tourist's arrivals, thereby this master thesis focused on managing sustainable development of tourism in Mykonos.

General objective of the research was to transfer academic knowledge of theory of sustainable development and implement it on a small island. Within sustainable development framework, boundaries were set up and its operations limited. Qualitative research was mainly directed on the supply-side perspective of tourism and it involved observation of destination and interviews with stakeholders during two research trips. Data was analysed based on Value Chain Analysis, Corporate Response Model and SWOT analysis.

Managing sustainable tourism development on the island takes into consideration three dimensions: profit (economy), people (society) and planet (environment). Fourth value of institutional dimension covers the previous three dimensions in order to make balance between them. As far as the destination management headed by local authority is in charge of creating balance, research explored the way how the Tourism Marketing System is constituted.

From the institutional part of sustainability, i.e. the way of managing the development in a destination of Mykonos, research focused on Tourism Marketing System, and analysed it from point of Value Chain and Corporate Response Model. Value chain had its aim to analyze ownership of resources and it showed to be in hands of local community. It implies that local community could keep its power towards development. Corporate Response Model studied stakeholder's involvement in economical, social, environmental and institutional issues. Although private sector has power to influence the development on their own; their short-term profit oriented view is controlled and regulated by public authority. Profit orientation also means less care about society and environment, but since high level of familiarity is on the island, private service providers do not compete among each other, thereby cooperation is apparent. Theory suggested destination management organisation as a unit to bring closer public and private stakeholders in Mykonos, because of its size and scale, partnership is coordinated more in natural and informal way.

SWOT analysis revealed main features of each of four dimensions – economic, social, environmental and institutional, and it follows that taking into account the opportunities from external environment, weaknesses in internal environment can be minimized.

To sum up, empirical research showed the current situation of managing development in tourist destination of Mykonos and indicated stable position of an island with possible practical implementation of sustainable indicators, which were suggested based on the analyses. Since the infrastructure is developed, other investments can be directed to develop supra-structure and participate on local planning together with providing high-quality service in tourism.

External view of the researcher based on the qualitative research showed how Tourism Marketing System is constituted in Mykonos. In relation to sustainable development, managing development is more in natural way and correlates with aspects of sustainable development, it means sustaining profit, society and environment for the future generations to come.

## 6. Recommendation

Mykonos can be perceived as tourist destination which was developed and managed in a sustainable way. Although remarkably fulfils basic aspects of sustainable development definition, in SWOT analysis have been described weaknesses of each dimension of sustainability. This gives a space for further consideration and better management. On the other hand, taking into account the opportunities, it also gives the chance to cope with weak points. Since destination management will operate as a unit, composed of public and private stakeholders and which will take part of the responsibility for a given weakness, it might fasten a process of remedy. Firstly, destination management has to set up future goals in terms of their development, determine direction they want to follow and consider tools by which they will achieve it. This study is an external view of a researcher about the actual development of tourism in Mykonos, but destination management should conduct more in-depth study in years to come, to see the real problems in relation to future development.

For this reason, it would be advisable to employ at least one expert in tourism, who can be responsible for coordinating, monitoring and smooth implementation of techniques, which are suggested in theory. Such as visitor management technique, this contributes to manage flows of tourists; or sustainable indicators suggested by this study to measure progress over time. Centralisation in a national level and decentralisation in local level has to switch the scale. Since every destination is unique, decentralisation on national level will provide more responsibilities and much more space for local planning for municipality. Hence, centralisation in a small scale is advised in a destination of Mykonos, in order to gather its stakeholders operating in tourism. Thereby certain actions can be solved in favour of mutual prosperity, still based on local needs, expectations and plans. Concerning to destination management, planning and decision-making, data is a base to consider. Assisting better flow of data from and back to Mykonos will bring high-quality overview of actual situation based on which destination management can make steps towards future.

Thereby improvement of statistical data is a necessity. Data show trends, and trends can not be explained just by perception. The importance refers to goals which Mykonos would like to achieve and related sustainability indicators. When speaking about a goal, it does not necessarily mean to have giant plan. Modestly said, goal of Mykonos can be to keep the island as it is. On the other hand, it also needs certain actions, since the supply side system is influenced by demand side of the system.



It has been said, that Greeks are not familiar with a phenomenon of sustainable development, thereby it is up to municipality of Mykonos to take these recommendations into consideration towards their future. Value chain analysis studied the ownership structure and Corporate Social Responsibility exposed responsibility towards the society and environment in relation to its organisation by destination management. Thereby trends mainly in those two areas, which are in line with sustainable development, should be continuing.

It follows from the research to promote product by modern and effective channels, invest into supra-structure, offer and promote local products, and improve quality of service providers by their Corporate Social Responsibility program and thus gain the competitive advantage not only among destinations in Greece. Quality checks are made already by tourists themselves through social media; thereby each service provider can immediately consider his strong or weak points. System TRAVELIFE introduces sustainability principles by tour operators; thereby local accommodation providers can easily check merits of cooperation. On the other hand, sustainable development primarily speaks about sustaining profits and environment in order to sustain society. It is of individual decision to which one importance will be given most. Further research on sustainable development is advisable, not in academic and abstract level, but more in detailed and concrete steps.

Mykonos can take advantage of its name, and create something similar as for example Amsterdam is famous for - **I amsterdam** letters in life-size. This makes some tangible attraction, although researcher is aware of the promotional strategy highlighting "MY" in favour of MYisland, Mybeach, etc.



**Figure 8: Mykonos letters**

Source: Greek Islands: Mykonos

<http://getaway.ninemsn.com.au/fseurope/greece/7947645/greek-islands-mykonos>

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## Appendices

### Appendix I. - Interviews

DAY	Nr.	NAME	POSITION	ORIGIN
<b>1</b>	1	Michalis Assimomitis	Senior employee in tourist department, Municipality of Mykonos	Mykonos
	2	Andreas Fiorentinos	President of Hotelier Association in Mykonos and Vice President of Hellenic Chamber of Hotels	Mykonos
	3	Athanasios Kousathanas-Megas	Mayor of Mykonos, President of Association for rented rooms	Mykonos
	4	Stavros Mouratidis	Chief representative for German tour operator Attica Reisen in Mykonos	Athens
<b>2</b>	5	Georgo Papadopoulos	Receptionists in Leto Hotel, Chora	Thessaloniki
	6	Anna Tsavalos	Employee of Agriculture Museum	Mykonos
	7	Tzanis Zouganelis	Owner of EasyRent – rent a car, Chora (5 years)	Athens
	8	George Gikas	Manager of Erato hotel, Ornos	Mykonos
<b>3</b>	9	Bledar Zyba	Employee of hotel (Agrari and Chora, 2 years)	Albania
	10	Dimitris Zafeiropoulos	Owner of water sports (15 years)	Athens

**Table 14: List of interviews**

**1) Michalis Assimomitis – senior employee in tourist department, Municipality of Mykonos**

***Researcher: Can you refer on the level of local decision making in Mykonos, its structure and affinity to national strategies in Greece?***

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***Assimomitis:*** Description has to take this also into consideration, because in fact, both centres of decisions are important. Everyone, in a different way, but both are important and in fact even if it is not very apparent, the kind of cooperation they have, but they finish having cooperation because they work together in the same field under the same law. So even if a mayor of Mykonos, for instance, is not meeting the minister or vice minister of tourism six times a year, they just probably meet in some occasional festivity, but they are not really working around the table. But it is in our consciousness that they decide, they create laws in the international conventions. Parliament after proposals of ministers may take decisions for new laws or changes on previous law, so then the government and then parliament decides for law frame, in which we have to fit and work and then the local authority has to design and to decide more specifically on local matters. As far as I have heard, there is every fifteen to twenty years, I am aware of tourism planning and tourism strategy for long term. Then I have seen our municipality through its council under the direction of the mayor to establishment to be done in some direction, which should cope with official national point of view. Studies are aiming basically at infrastructure. In fact, our post-war first question was up till now – infrastructure. The government and local authority, I think, they feel much that creating and approving infrastructure is eighty percent of their efforts. I mean, they are not spending time and money up till now, I would say, but this is personal, I do not know if I am right, I would not say they spend time and money for non-material actions, not very much. And I think, from one side, they have had right because infrastructure was very late on Mykonos in comparison to the natural push. The island has registered through private sector; I mean the private sector was going ahead for many years and then the public authorities, i.e. government and local authority had to try to follow and fill the gaps. So I have to describe, because it is not clear probably, by history, by events, I have to say that this local authority had by 1990-1991 a first survey of the situation, they have had a study about tourism development of the island and they have pointed out, what first they would need concerning talking about infrastructure. And for 15 years or more, for 20 years now, they followed this step by step. And I think they have accomplished this, the level of infrastructure is now done by 90 - 95 %. Since we are about to have this famous port of Toulouse finished, it is almost finished, and the other projects as parking project is almost finished too and desalination plants are working perfectly and since the waste water plants are working good and water reservoirs are still okay and everything we can say that the municipality has succeeded in its plan.

***Researcher: Do you have other plans nowadays?***

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***Assimomitis:*** For the moment, representatives in our municipality are not talking much about new things. One reason is not because they know, I do not think they feel completely satisfied, but the truth is that a big amount of effort and their thoughts was invested in this thing and by the changes we face today

you know on the financial situation on the globe, Europe and Greece especially is not allowing much. The reason that they have tried to get into this very much, very insisting way is that lot of money was offered by EU policy, for this infrastructure through the environmental policy, through the general direction for regional policy, through the cohesion funds and we had to follow and get profit of that money. And now, as you know and I know, they are not talking too much about supporting any infrastructure and the gap that might be, might exist now, should be covered by the national money which they do not have. But fortunately we can say that I mean, it is fortunate at least, that this crisis came hopefully in the end of this long period. It would be very disappointing if it would stop in the middle. I do not know whether it is sensible to say so, but I think that crisis came in the right moment.

***Researcher: Do local people, service providers or other stakeholders have rights to convey their agreement or disagreement?***

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***Assimomitis:*** Listen, this is part of the job. This is a thing that depends of the quality of democracy places may have. I do not know if the public life of Greece is best example or best application of democracy, but well, it is part of it, I mean, I feel the authorities are not naturally very willing to listen to everyone's point of view. But for the case of Mykonos, I can say they have mostly cooperated with involved sectors. Up till now for this year, we just can say local authority have naturally cooperated with hoteliers and tourist agents.

***Researcher: Does it means you have some meetings together?***

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***Assimomitis:*** Yes, well, but not very often, but on the major subjects of course they did. The thing is that for instance, part of the projects that the municipality aimed was the construction of marina behind the windmills. And this was the specific exemplary case for which a group of locals explained very strongly their point of view.

***Researcher: Did you have to introduce them what project you are planning to make?***

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***Assimomitis:*** We did not have to introduce them, because I do not know how we say it in English, but we say social partners now, it is part of our language now, we say social partners. Let say this kind of groups of locals was not necessarily one of the profession partners of local authority but since they raised their objections very loudly projects would not continue.

***Researcher: Is it better to have regular meetings with most influential service providers?***

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***Assimomitis:*** Listen, you are describing what any course of management is doing. Anyway what happens is that in a small locality of 6.000 people necessarily the same persons for one reason or another are willing to participate in public affairs and they are often more than two times resided in the same board. I mean, same person would be easily president of a council, merchant, president of an association as for example a mayor is at the same time president



of association of rented rooms. So at the same time, the number of persons who want to be involved in public affairs are the same percentage of this small society. I am not willing to get involved. So I would be never in that. But the same 10 % of people who like to get involved in public things, the same people are all the time resided for years and years in the same way. So I mean this is part of democracy too. I do not like the phenomenon to have the same person to decide from different status, but it seems that the reality can not have better offer, because there is always the same little part of society who is willing to get involved. Every time new people want to enter in a public arena, they can do it loudly and they can change. For instance, I feel, because we have local mayoral elections in November, there is at least new group who wants to enter the elections. And keep this in mind.

***Researcher: There will be new elections and maybe new party and new people, do you think that the way of development can change?***

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***Assimomitis:*** Yes, we know officially from few days back that new people are going to present themselves for the local elections. We can feel that they are not easily going to have majority but they would easily have something like 30 % and they might have different view, who knows. They support the idea that they have different view but the other groups who are going to be presented are almost the same. I can understand that and you can understand that too. So we will see. I mean we are going to have new active group in a decision around the decision table. Would it be for 10 or 20 percent, we do not know but certainly we will have new views and new opinions. The bigger a group is, it has more power to influence, of course.

***Researcher: Concerning to past studies written about development of Mykonos they pointed out sustainable tourism but the question is how to implement sustainable tourism in destination. How would you react on that?***

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***Assimomitis:*** The thing is that probably there is some, the result of what Mykonos is, is also by chance. People have the habit to go ahead probably and even authorities and decision making groups went for a big part of their action habit to handle things that are already more or less ready. More often they handle things that just happen instead of designing the future. You have very strong impression and I am going to agree with you because this is not Abu Dhabi, where you would create life, city in the middle of desert. Most of the things were there, I mean, it is different. As a tourism destination you need to know how to control what is going to be next.

***Researcher: From the observation of the place, I have the impression that nobody is interested in collecting data back from statistical office, thereby you can not make analysis of your target groups (tourists). Is there somebody responsible for that in tourist department?***

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***Assimomitis:*** Last year I have explained to you that basically this is supposed to be job of national authorities. They do it well or not, by Greek law, they are in the first place. I can not explain this. Yes, we are doing promotion in our tourist department and we seem to be interested only in promotion, but based on what?

Let me give you something. This is a study on CD unfortunately in Greek language that would contain some answers to you. This is a research made last year on Tourism Satisfaction, which was done in September 2009 by students from Crete University. Our partner MTC agency made this study. I believe that part of the answer would be given by Mr. Fiorentinos (President of Hotel Association) and Mr. Bitzios (MTC company in Athens). For the promotion we have an approved budget, but we have strict control from third party because of the crisis. Normally we would pay your research project but at the moment it is not possible.

***Researcher: There are set up some national goals in tourism generally in Greece, do you have some goals set up in local level?***

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***Assimomitis:*** It seems so, it is supposed so, yes. I am afraid that what happened very often in Greece in various fields is that policies are not often long term. All policies, would it be for agriculture or tourism. Strategy is question of the government, but what happens very often is that it is very rarely to meet long term strategy since the parties with power are often changed every 4 or 10 years.

***Researcher: Concerning to sustainability, are locals benefiting from tourism since you have allowed foreign investors to do business here?***

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***Assimomitis:*** Probably they are not so many, but these kinds of decisions are not anyway taken locally. I mean, what is done and not, is basically done after a law decided in a parliament, not decided in the council. Concerning to power, unless it is very outstanding so that we can have a very loud voice but if not, we are not basically participating in that. There are centrally planned strategies; and the experience and exchange between central government and local authority is complicated. It is also difficult even to describe the structure, stakeholders involved in national and local levels and mainly those stakeholders on local level. Generally locals benefit from tourism, because it was mainly them who developed tourism in the island.

***Researcher: Due to crisis in Greece, in media appeared news about Mykonos to be sold. Was it a fake? How can you sustain your reputation then?***

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***Assimomitis:*** Of course it was a fake. They have said so much, but this is just fireworks. I think it is part of the job, a bad taste joke of international investors. One side is this. The other side is the crisis, the real crisis. But this is part of bad joke. There was to give you answer, as a Greek citizen I know that 15 years ago, previous Greek government seeking for money was thinking of selling state property, if it happened to be small uninhabited islands and I do not think they did manage something important with that, they just stopped talking about it and by those times media was talking about little islands around Mykonos. I think that finally after the research was made to see details who own what, they did not find anything important so whole thing stopped. I mean it is very easy to create discussion on that kind of media but it is not necessarily easy to support it with real documents and facts. And probably, the state is going to face some special cases of selling public land to investors. It is possible, but it is possible for

some land, which is owned by state. Some land in Mykonos is state owned. We do not even know where it is. I wonder if they know where it is. I only can imagine that sometimes there would be person with property, who dies without inheritance or there would be some person with no family or some person who is not willing to pay the bill for taxes for his property. Some property under this situation would be abandoned to a state. If there is some important land of that kind, let the state get profit of it. But I do not know where it is. Also concerning to state land and foreign investors, there is a law which is not allowing build big hotel complex in Mykonos. But it is not because we do not want to. Every time in a real public life, the thing is not what you would like or not, the thing is: is there is law for or against. So for the case of Mykonos there is a law against unless they can go and change the law to which Mykonians of course would be negative. Since we are talking about Mykonos - this thing is not giving much interest to some foreign investors. Since he is not going to build, no local investor or foreign, would be allowed to build one thousand rooms in a group, there is no possibility. And there is no land to support them. So they are not interested. If I was wrong, this would have already happened. I am sure that investors know much more than I do and they pay expensive lawyers to find out what could be done or not. So they would have done it already without asking me. So I think it is just impossible to do something with what exists now.

***Researcher: Due to high prices of properties, locals were not able to pay high taxes and some locals rather sold their properties to foreigners. Part of the sustainability issue is to sustain community here. Do you agree that Mykonos will be then in hands of foreign people?***

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***Assimomitis:*** This is partly true. But I can not give precise idea. I mean we should have a study about it. The answer is not given by button push. There is a cadastre office for property for an half of the island. Only half of the island has been covered. The other half is not. And then I do not know if they are ready to answer that simple question by button push. If someone would have this answer, he would have agreement of the services and search for a certain period across the files. I mean, I am afraid you can just have an answer by feeling. The uncertainty can be definitely threat for the future, but I do not know if it is a case now. I do not know how strong it is now. It is also very difficult to start this serious talk. You have to make series of admissions and definitions - what you mean local, who is local person, Mykonian, Greek or foreigner, on different level. I mean, you have to make definitions in order to give concrete question and if possible concrete answer. On my feeling, there are different levels of personal property status on the island. There are people who are Mykonian for 3 or 4 generations. There are people who are Mykonians born in Athens from Mykonian parents and working here. There are people who came from Athens and started working here and after 20 years of working they have new property, house or shop. There are foreigners out of Greece who probably came and bought something here. I mean there are so different levels and precise answer is very hard, but I think that people would give you their feeling. Their feeling I can tell you that 10 or 20 % of land property in Mykonos, or the answer would it be in two levels, first - a land, to build a house and secondly - commercial land, i.e. property for the hotel or property for shop. Person who would have this feeling are necessarily not rich. I think this question should be addressed to notary or lawyers. We have 4-6 notaries and you should ask them for their feeling because they are keeping all together the property of everyone. They can give you an

answer if they are organized enough or they can give you feeling they have. So you ask 4 questions getting 4 answers, you ask 6 questions getting 6 answers and you can make an average.

**Researcher: 20 years ago, it was a rich group coming to an island, and now there are foreigners operating in tourism, having shops and other businesses in Mykonos. Does it increase the image of an island as being expensive and how the locals are affected by the prices?**

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**Assimomitis:** If they are not alerted yet, I suppose they manage to find a balance in this system. Otherwise they would make a noisy voice. I think up till now, there is some interior balance in the phenomenon. I can not answer it differently. This would be apparent.

**Researcher: How do you see Mykonos in the future, let say 10 – 20 years ahead? In comparison to the present, can it be better, worse or what are the reasons to see it worse?**

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**Assimomitis:** It is difficult question.

**Researcher: Concerning to sustainability, do you deal with some environmental issues in Mykonos?**

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**Assimomitis:** Certainly we do. There is a spirit of first level planning of local authority. I think every step of it has something to do with the environment. This is my idea, my opinion. Every project has environmental background and impact. We may have groups and we have some small groups who can be considered as local Greenpeace in Mykonos. There are some people who take actions in the early spring to clean coastal areas and beaches before the season starts.

**Researcher: Concerning to sustainable indicators, which suppose to measure difference between actual situation with future situation, do you (local authority) have goals set up for the future (participation, cooperation, water management, tourist indicators) and to see whether you are going towards sustainable island?**

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**Assimomitis:** It is difficult question.

**Researcher: With the elections, mayor is going to be possibly changed as well?**

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**Assimomitis:** Possibly, because present mayor is going to present himself as a candidate and there will be probably other two or three candidates, with a list of candidate chancellors. There will be one election to show the two strongest, one Sunday, on the day of elections and then they will face against each other next Sunday. This is about local people who are going to decide. For instance, in the middle of the ruling period, the previous mayor has resigned and in that case there is a council to decide who is going to take the local authority over mayor, but until the end of the period of 4 years. And now they all present themselves as candidate mayors. So we are expecting 3 or 4 to be presented.

***Researcher: There are some studies done, goals set up, can it change the development of Mykonos in the future?***

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***Assimomitis:*** I do not think it is easy to change things. Imagine me as a mayor candidate, I can force more in one direction or another but I think, that field of actions is not very large in fact. All of the candidates are going to present their plans; they do not let them yet to be known by the public because it is the elections are in the middle of November and we will know them from September. We will have their proposal since September to choose who we are going to vote for.

***Researcher: Do you see any risks or threats, which can affect tourism development of Mykonos?***

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***Assimomitis:*** If we will not be facing wars and crisis, it can go in right way towards development of tourism. We have to consider changing lifestyles of modern society; culture and economic globalisation, etc. There will be some changes which we have to take into account. There can influence Mykonos easily to worse. I have to say there is a difference between perceived and real crisis. The perceived is bigger than the real. And it is a good point not to understand the position of Mykonos as where we are now and where we would like to be, and of course how we will get there. So I take the crisis as an exam and feel responsible for what happened.

## **2) Andreas Fiorentinos – President of Hotelier Association in Mykonos and Vice President of Hellenic Chamber of Hotels**

***Researcher: Can you describe what the role of hotelier association in Mykonos is?***

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***Fiorentinos:*** Association is actually a union which represents the interest of hoteliers. So basically we look after the interest of hoteliers and somebody that run a business in accommodation. That is our role. In Mykonos we have 160 hotels, we have about 12 000 beds and about 1 500 beds in 5 stars hotels which most of them if not all of them the 5 star hotels only in Cyclades. Basically our product is, you know the categories how they are in Greek tourist industry; we have categories depending on the quality and services; and the infrastructure of its hotel that is how the corresponding stars or categories. In Mykonos they are allocated in all categories, pretty much the percentage let say of high-end hotel is more than low-end which is almost the opposite of Santorini. Santorini has a lot of low-end category hotels and that is why they have bigger influx of tourists from charters. In Mykonos we continue to be destination of individuals. It is like 70 % of our tourists are individuals and not charters tourism.

***Researcher: Can you sketch the participation, cooperation and the decision making process together with locals and local municipality?***

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***Fiorentinos:*** Listen, the planning is basically as not as we wished to be and the input that we give into central decision making. As you know Greece has the Greek National Tourist Organisation which oversees all these policies. The decision making on the central level is almost non existent as an institution. Any input we have in that for any participation it happens through me because I am a member of the city council. So in that respect, I am a member of tourist board of the island because I am a member of city council, not because I am hotelier or its president. And that is very big fault. And also it is not the proper thing for us, it is not enough representation. At the moment now, Ministry of Interior is making new law for local politics up to the first and second level in which they going to have better representation of hoteliers in any tourist board decision making. They will be forced to have members of hotelier's community in their boards to represent their interests. In Mykonos, whatever we do we try to have a good relationship with the Mayor in each instance, but basically the promotion of the island is done in two different pillars. One is the City Council with its tourist board the way they see it which also has a lot of politics involved because they are trying to give balance to things and the other one is the hoteliers. The hoteliers on its own have been representing the island on the main tourist's expositions for many years and they are also involved through hoteliers associations in the body that governs the hotels. And basically the body which is called "panelimiamos pondiexanedochon" which dictates how the business should run. The laws of how and what hotel business should do in order to be legal. And also in that body we have the change to implement or to input our views of how things are in islands, central Greece, winter destinations or summer destinations. Basically this is the only way we can do that.

**Researcher: Does it mean every hotel registered as a hotel in Mykonos has to be a member of your association?**

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**Fiorentinos:** Yes, by law they have to be member of the Chamber of Greek hotels, which we in return are member of Greek Chamber of Hotels and I am a vice president, it is a body that represents 9 500 hotels in Greece, over 500 000 beds.

**Researcher: What is the benefit for those hotels to be a member of Chamber of Greek Hotels?**

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**Fiorentinos:** Oh, huge. Because first of all through us (Hotelier Association) and the Chamber of Greek Hotels, we basically represent their interest and we make sure, they do not have problems; we support them as far as law is concerned, we support them as far as rates are concerned, we support them for any problems they might have, i.e. legal problems running their business. Every year as you know all the hotels continuously, they involve their business and they tried to get better, we are the ones who implement central government policy. We are the ones who give them basically the access to special funding from EU, we are the ones who set the rules of what money for hotels and how we will get them, which areas should get the money and for what types of hotels depending on which development the central government wants to give first. So for instance, in Mykonos, if you want to subsidize hotel or give them extra initiative to get better there can be only 5 star hotels, otherwise there is no subsidy from Greek government because they consider Mykonos to have enough beds, as it is. So in other areas for instance that are not much developed we would set the rules that even small hotels can get subsidies to upgrade their product. And then continuously we do the seminars, trainings, for instance recently the law says that all the hotels with pool must have a person to be able to give first aid, we go through the process to train some person in all the hotels to give that service. Basically we do things like that for them.

**Researcher: What is the share of ownership of the hotels? Are in Mykonos mostly foreign owners of hotels?**

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**Fiorentinos:** No, no, by far all hotels in Mykonos are owned by Mykonians. People they all run small family business. The only big chain we have in Mykonos is Grekotel hotel in Psarou and that's it. The other Mykonian hotels on the island which also are members of some sort of stamp but basically not a chain, more luxury hotels or eco hotels, with labels which is an extra basically an organisation which promote the hotel. It has nothing to do with ownership.

**Researcher: In comparison to rented rooms, which are not registered, then in total you do not know how many tourists are coming and from where?**

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**Fiorentinos:** They are registered. It is different concept. It is basically through the law and through the need to provide more. Those properties were able to operate in peak season (June-July-August), some years in the past, now they operate basically whole year, they have less quality control than a hotel does, stars as the infrastructure is concerned. So basically the hotel in order to have

for instance 30 rooms must have at the same time corresponding area for breakfast or reception and which is equivalent to 100 square meters. Rooms for rent do not have this responsibility. And that is basically the only difference. Service is good and there is service mentality orientation.

***Researcher: I am interested about the information with statistics. How the information is coming back to Mykonos about tourists from statistical office?***

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***Fiorentinos:*** Basically it is even difficult with hotels because our statistical agency writes down everybody that moves in and out of the country. It also means migrant workers. It might mean it also. Every hotel is obliged to write down how many days customer stays in a hotel, where is he from etc. and it goes to a central statistical office. But they also count for example some Romanian worker that comes here to work for 3 months and goes back to Romania and he is not a tourist but the one who moves in and out of the country. Data sent to the statistical office – this is done through us, through hotels on local level. For instance, in Mykonos we know we have another 10 000 beds in rooms to rent and rooms to let and basically we have about 800.000 people visiting an island per year. Those statistics arrive from airport, boat and hotels. I have to admit it is difficult to get this data and to put some stuff down; it is hard time every year. But all the people staying in hotels or rooms to rent they come through port or airport. So we can get data from the airport and the port and it is basically good sample of statistical data, because anyway they have to stay somewhere overnight.

***Researcher: How do you see Mykonos in next years, 10 – 20 years ahead?***

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***Fiorentinos:*** World tourism commission says that tourism will continue to expand. The expectation of income of tourism to increase to the level about 20 million for incoming tourism in a year 2020 is 18 million tourists in Greece. Last year (2009) it was only 14 million tourists arrived to Greece. We fear that tourism is going to increase. As you know, tourism nowadays is a necessity. It is in a family planning which was not in the past because people now they can spend plastic money and live a life they could not afford to and this is a basic pillar of financial crisis in the world. We expect Mykonos to do even better. We are in the big process of modernizing our infrastructure; projects have started since the 1990. We hope in the next 4 years we going to finish with all that and to be able to allocate common use those products and in the end the things will go better then now. And we will start to have repeated customers, better quality in public sector because this is our main concern. While the private sector has been able to modernize the infrastructure, the public sector is always behind.

***Researcher: What do you think about sustainable tourism, responsible tourism regarding to tourists?***

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***Fiorentinos:*** When a tourist buys a package in some travel agency, I believe that tourist has to be responsible at the place, at the destination he travels to. Do not forget the mentality of tourists. Take the mentality in mind. When you are in a vacation, you want to enjoy your holiday. It is a service industry and service



industry means you give that extra to your tourists. So for instance you can not force tourists to go on vacation after they have worked 350 days throughout a year and send them to a destination and tell them you must not run the water or do not take your bath with your girlfriend because you have to conserve water. It is very complicated issue and it is not easy at all. Hotels can not afford loosing the water they recycle water and use it for the plants. And they are doing a lot better in that respect and it is a lot of greener than it used to be on a private basis. They make better use of resources.

***Researcher: Concerning to sustainability and sustainable indicators, each destination can apply it voluntarily, how is the situation in Mykonos?***

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***Fiorentinos:*** Talking about green tourism and responsible tourism, basically it is voluntary but there is an initiative which has started to operate in Greece. People that take extra initiative to differentiate and provide something that is eco-friendly to be able to have benefits as far as taxation concerned and also to be able their businesses to be involved into funding though EU. So basically we are looking for ways to modernize the product we provide and the only way to do something differently besides the basics is to implement something that is a vision and has to do with environment. So I am sure many people will slowly get involved in this process as far as energy is concerned and our natural resources like water.

***Researcher: Sustainable indicators suppose to measure the improvement of the management of resources which you have now. Can you agree on the way of development which correlates with better management?***

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***Fiorentinos:*** Better management is good definitely. We are trying hard but it is very hard to go ahead with all these simple government being in top of us. In your country or in Holland, the local or first level of government which is local government can implement and have its own laws, which we in Greece we do not. Here everything is centralised. And while for instance Mykonos is a tourist destination that first of all provides and has plenty of western heritages to sell because it was our main goal and the rest comes after having fun and drinking on the beach. This you can find anywhere, but our civilisation and our heritage is unique and this is what we are trying to promote.

***Researcher: Can the local strategy be suggested for Mykonos?***

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***Fiorentinos:*** Local strategy, it is basically how we are going to be able to provide more quality for our product. Not have more numbers, no more bigger boats and planes, bigger hotels. We are not able to operate under those standards because do not forget we are still in very small island with town, that hold so many people, can not take more than 25.000 at one moment. Our big problem is that everybody especially our main tourists which are Northern Europeans take their vacation in July and August. So we do have this big problem during peak season and we do not have more space.

***Researcher: Would not be prolongation of season good idea?***

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***Fiorentinos:*** The season is big anyway but it means that hotel must operate with the same staff, but it has a peak season. So boat goes back and forth, let say from Athens in May to August all the time no matter it has 2 tourists or 10. People here say we do not want to prolong the period, in essence they mean that in those 6 months, which is big enough for the season is in order for us later to be able to prepare for the next season; there should be more balanced allocation of tourists. Instead of having in two months 70 % of our revenues that arrives from tourist industry in two months, to have it over the six month of period and basically that is what people need. Do not forget we are summer destination and people do need sun, warm sea, the culture and heritage to enjoy at the same time.

***Researcher: Then, Mykonos can not offer another attractions for people to come in another months?***

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***Fiorentinos:*** Not enough to operate on mass economy scale. Imagine if it starts raining here in November. It is not a big city, it is not a big island, and you can do daily cruises and stuff like that.

***Researcher: So you say that the ownership of hotels is not a problem in Mykonos?***

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***Fiorentinos:*** Yes, this is absolutely not a problem. There should be diversity in product because in that respect you have other centres working for the island. So if we have TUI, which is the biggest tourist organisation operating in Mykonos, it is not bad, it is good for us. But it all depends on us, on our rates, standards of service. And we need the diversity.

***Researcher: Do locals benefit from tourism concerning to economic leakage, thus does money stay in the island?***

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***Fiorentinos:*** Absolutely yes. Definitely money stays in the island. They have to go through in order to promote the product like any other product. Concerning to foreign investors this is not the case here. The season is short and the island is small. Imagine 800.000 people come here. It is very difficult to have sustainable business here which is big business. Most of the representation like Grecotel and through some labelled hotels on the island, and the reason is because it is not enough and sustainable. I have a hotel with 37 rooms, my whole family works in that hotel in order to make their living because the season is specified very strictly by the markets. For the rest of the year I will be building homes to make some money. But basically all the businesses are Mykonian, local businesses as far as hotels and rooms to let are concerned. Now big loss of income which is that government is trying to deal with first time this year with Mr. Puseos who is general secretary of tourism is the villas for rent. Those are different than rooms to rent. They do not have government label to operate and it is as black market and it is basically about rich Americans which come here and to arrange a villa and stays but does not pay municipal tax, does not pay any value added tax, it is income generated completely like black market.

**Researcher: What do you see as strengths, weaknesses, opportunities and threats of Mykonos?**

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**Fiorentinos:** Weakness is the same as the whole total Greek product, which is that very intense two months that we have which basically 70 % of our total revenues come out of those two months. This is a big problem for all of us and for Greece also. And because we can not have bigger season as I said, a little bigger but flat but not peak which we have, and for that peak season port is not big enough, airport is not big enough, hotel rooms are not enough so people have to think about it. Concerning to promotional part, for the past over 10 years we are in the process of modernizing our infrastructure. So we can have better access and sell our product differently. Our vision or basically my own vision is about to be able to promote this place at the same capacity as to visit Britain or France, they have little government but basically it is private sector that promote destinations. And this is my vision for the island because having a modern port and the airport I think we can basically self promote destination as something on its own. And to have more balanced season. There is national strategy and our big problem is transfer. There is Transavia and KLM also in Mykonos at the regular schedule based flights. So individual tourists can pick up and come. And to avoid going through big centre of Athens, which in their mind especially the Europeans because they are closer to our civilisation then the rest and they do not want go through another big city. So I envision Mykonos with direct scheduled flights directly to our airport. And then we can really do "americano" because imagine all this crisis that Athens went through and our tourists coming through Athens it really turn people back from Greece and Mykonos in that respect a lot this year. We have an increase of tourism from the long-hole destinations and also from euro/dollar destinations. This crisis in Athens with all the demonstrations which would continue it is very big hit for us and especially for Americans. So our only defence is to try to avoid having direct people coming not only on charter basis only but regular scheduled flights. This is my vision and vision of head of tourist department. So you can save time and travel for few hours and be here. That was a strong point, weakness is that we have short season, the weakness is also that central government basically decides for tourist destinations same as for continental destinations for instance Mykonos being a tourist destination has basically the same laws that apply to any industry as a continental destination. So for instance shop, restaurant or a bar in Yanena, which is continental Greece somewhere in the mountain, has basically the same law that applies to them as to destination of Mykonos, which is not proper. So the weak point is that central government, local government has not make laws for itself also the fact that we do not have done the infrastructure and the strengths basically is destination that can work on its own. After we modernize completely our infrastructure because we have besides sun and sea which is the model of Greece we are very bless to the western heritage which is Delos.

**Researcher: How do you see the cooperation of local authority with other stakeholders?**

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**Fiorentinos:** Cooperation is difficult because somebody has to take care and to bring all people together centrally. That would be the idea we are trying but basically the local government is in charge of all this and is responsible for bringing all the pieces together and maybe it is not the case as it should be on

the island. So the biggest power for the development has the municipality. Now by law they are going to have better representation of the industry in the local government, for those issues only, for tourists and promotion. The other associations in Mykonos have the same problem basically and have their own representation.

***Researcher: Can the other associations influence the process of development?***

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***Fiorentinos:*** Yes, they can influence the process only through local politics, not through tourist policies. That is the difference.

***Researcher: Concerning to destination management, does it involve view of other private providers in Mykonos?***

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***Fiorentinos:*** Destination management is done by local politics. This is how it is set up. I believe that destination management takes into consideration the view of other stakeholders but we can do that only through our representation in the city council. So it is people that we choose to represent us - the special interest groups and also plain local inhabitants. We are strong believers of democracy and people's representation. But as you very well know it is an issue that continuously evolves.

***Researcher: Are there any hotels which applied Corporate Social Responsibility program?***

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***Fiorentinos:*** The best for you is to visit Grecotel hotel in Platys Yialos, they have cooperation with TUI, or Petasos in Platys Yialos or Mykonos Grand hotel in Agios Ioannis. They have very nice set up of business and very responsible and tourist's friendly. Those last two hotels are family hotels run by two brothers. Grecotel has some standards concerning to sustainability but it is difficult to apply it here, I think. People here on vacation are in different mood, they do what they do not do in their country so sustainable tourism here is maybe a vision.

**3) Athanasios Kousathanas–Megas – Mayor of Mykonos, President of Association for rented rooms**

***Researcher: Can you describe current position of Mykonos from Mayor's point of view?***

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***Kousathanas:*** There is a strategic plan on which we are based for years and is expressed through our technical program that points the infrastructure. What we are looking after the first place are infrastructure projects concerning directly on tourism. We try to finish last phase of port Tourlous and there is a program which starts in next September for buildings in a new port like shops for people which go to the boat. Whole thing is finished, the port is okay, but there is no supra structure I mean shops, minimarket, restaurants and bars for tourists. In one year buildings will be ready. The second thing is the old port that exactly behind this port there is a place where cars are parked and this is good solution for cars that park there because we help with this solution the old city here because we did not have parking area for old city. Now we have this new place, it is more than one thousand parking places for cars which will be ready. So tourists can park there and come to the city on foot. Also inside there is something like a lake, tenders are going to fish there – small boats – just for local fishermen. So those are two parts of the harbour. Second is the factory – desalination plan which we can have water from and new factory which is ready now – it makes 4.500 cubic metres every day of clear water for and the old one 2.500 cubic metres of water so together 7.000 cubic metres every day. The maximum that we can spend in Mykonos and this happens in 15<sup>th</sup> of August because it is full of people is about 11.000 cubic metres this day. So we have enough water because of two lakes also and with these lakes which are almost full with rain water we do not have problems with water like years ago that we brought water here with small boats. And the other thing is biological waste water treatment for cleaning waste water. So we are satisfied. Last year we have second unit to add which is already ready and now is under test function, but it is ready to operate. We have also landfill for the rubbish in the middle of the island, so the waste stays here, but not all. Recycling part is going out, from here to Syros Island and from there to Athens. Up till now we sent 500 tons of recycling materials to the other islands because we just started to recycle few months ago, since October 2009. So now we export 17 % of our rubbish but we can reach more than 40 % in one year.

***Researcher: How do you see tourism development and its trends?***

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***Kousathanas:*** Mykonos is living out of tourism so we have to be careful about tourism in Mykonos and I think we try to do the best for the people that they come here every year. Now because there is a crisis, we are still confident to Mykonos. Since even we go through crisis, now at least we do not have serious problems. Last year we had 1.500,000 tourists visiting Mykonos, this year I believe that maybe it will be little less comparing to last year and 1.500,000 tourists include also cruise ships. I speak generally, and there are people who stay on the island just for 3 hours. We count all people who are coming to Mykonos. We do not measure only people who are staying in the hotels. They

measure all the people they come to Mykonos. So about 700.000 people was here with cruise boats and another 800.000 people were coming with the charter flights and boats and stayed in hotels and rooms to let.

***Researcher: As development does not mean a growth, do you continue to sustain the development of tourism in the island of Mykonos?***

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***Kousathanas:*** First I point out that since 2005 we have new law or rule so 80 % on Mykonos Island new buildings can not be build anymore. So this is bad for the people that they can not build, Mykonian people especially, but it is very good for the natural beauty and for what you have asked. It is very difficult because Mykonos was every year growing up but now I think it is enough. For that thing we will see what we are going to do in the future. We can not build big units like in Rhodes and have more hotels here; the maximum for one hotel is 100 beds, so it is about 50 rooms. Most of the hotels here are family hotels. People of the family made hotels and most of them are Mykonians. So they have to be careful for building and architecture we have to follow. State decisions came after laws in 60's and 70's, not now. Now we have the town planning on the island for a whole complex but these laws about buildings are very old, 50 years old now. Word of sustainability is not part of our vocabulary so do not blame me too much but some of the actions probably showed that there is some sustainability perspective of course. We will try to be better towards sustainability issue. If you would see the picture of Mykonos in 1900, the old city here did not change at all. You would see exactly the same picture now. So for 110 years it did not change at all. We look after old city and we do not want to change anything, I mean windows, buildings and everything is exactly the same. This is what tourists are appreciating. Buildings are only with 2 floors, it is forbidden to make 3 floors. Other islands are different. All families here in Mykonos, people that made hotels, tourist shops, supermarkets, children of these families continue job of their parents. This is 99 % because children and my children they went to university and they are going to come back. Their dream is to come back to Mykonos. Maybe they will not follow my job but they want to make business in Mykonos. The same happens to hotels, shops, groceries, supermarkets, bars, disco and they follow the job of their parents. Mykonos was very poor island from 1920 - 1930 till the tourists came to the island. Now Mykonos is top, because everywhere you hear Mykonos as first in Europe and all countries, so I think these people, my parents, because it was the first generation which tried very much and hard to bring people here. They took the occasion by working, being pleasant and friendly and also because of Delos Island. Now 99 % people live from tourism here, so we do not want to loose tourists. That is why we have to try every year more, to have clean city, to offer better facilities, all the things which tourists want. There are many actions for our scale that we can not recall all the time but for instance I am thinking about one action now to increase flora in Mykonos. Municipality for many years brings plants, olive trees and grapes to distribute to locals to let it grow by them.

***Research: What do you consider unique in Mykonos, comparing to the other islands?***

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***Kousathanas:*** None of the islands have Delos, first of all. Delos is part of Mykonos, it belongs to us. It is like Acropolis for Athens. First of all it is architecture, which is unique. I can not say beaches and clean sea, because you can find it everywhere. It is about positive energy to Mykonos and maybe it is because we are next to Delos that people come straight to Mykonos. Of course Paros, Naxos and Santorini and other islands are very nice islands, but Mykonos is number one. There is also metaphysic. You can not make a copy of Mykonos, this is original island and those are the reasons why people should come here. We have Little Venice, Paraportiani, Ano Mera, nightlife possibilities, unique service and quality. Tourists, like you, are staying here for few days and go to different island afterwards, you will see that all the time in your mind will be Mykonos because Mykonos is stamped in your mind. We wish to stay Mykonos as it is and protect the culture here and we have to try hard to protect a whole island, not only the city and this is the job we have to do here. Not only to protect island but every year to offer more, to be better for tourists and keep it better for the future. Ano Mera is small and very beautiful village, you have to go there, there is also an old monastery there and also it is a place which is unique. You can see local people in a square and every Sunday they go out to the church and they visit square there with coffee shops. It is a meeting point for local people, they talk to each other and you can see tourists there also, so it is attraction for tourists. It is nice to see in one picture locals with the tourists, it is not a problem at all. In the magazine Best traveller six times we were the best European island by voters, so there were readers who made a choice.

***Researcher: Do not you see the problem with narrow streets here in Mykonos?***

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***Kousathanas:*** We do not want to make streets bigger, because if you make bigger streets, bigger busses will come and bigger cars as well. So we try to have those small streets as they are unique to our island. It is in some sense dangerous, but we can not say no more cars here, it is dogmatic and we in the Municipality can not do that. Certainly in the future we will have to fix the number of cars. We say to visitors do not bring the cars, because we have here so many offices to rent a car. We say people to leave their car in Athens, but nobody hear that. Everybody come with cars and motorbikes. People from Athens which know the problem they come now and rent a car here. But people who visit Mykonos for the first time and they are many they come with their cars and motorbikes. And this problem is bigger especially during the summer in July and August, there are so many cars and motorbikes and we do not have enough places for parking because now it is only the new parking place and the old one in the city behind the windmills. It is not good to have parking place in an old city, but one day we will try to disappear cars from this area because windmills are "Acropolis" of Mykonos for us and we want to throw cars from there but we do not have other new place to park those cars.

***Researcher: What about the public transport which operates in the island?***

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***Kousathanas:*** I do not think public transport is good, we have 30 taxis in whole Mykonos and it is not enough during months of July and August. The other months it is not a problem. We need at least double during these two months.

***Researcher: Do you agree that tourism increased the prices in Mykonos?***

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***Kousathanas:*** Mykonos, yes it is expensive place, everybody says that Mykonos is expensive but you now if you go to the port you can find nice room with good facilities for 30 Euros for 2 people per. Now in July, you can find for sure because there is an office with rental rooms. I am a president of Association for rented rooms so I know. In all Greece and other islands, prices are the same. Mykonos is not expensive; if you go now down to the seafront to take a coffee, the Greek coffee is 1,5 Euros and this is not expensive. This is most expensive area in whole Greece I mean in taxes. There are 300 people who have this business in rented rooms, apartments and studios which are more than 1000 beds plus villas and hotels it is about 30.000 beds for people to visit Mykonos during the summer except the people staying in their houses. So if 30.000 parachutes come down to Mykonos in the winter at the same time, there would be 30.000 beds for them. But most of the local people do not stay here; most of them go for holidays to Thailand. They do not have much time to go to swim here during the summer and that is why they go to place they do not have here but there. Not all but like 5 % go to Thailand for 10 – 20 days. It is cheaper there than here. They need to go to the sea and to have sun. The do not go because they are rich, they go because the need it.

***Researcher: Concerning to destination management how can be private sector involved in public local issues?***

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***Kousathanas:*** There is an action plan but at the moment it is directed centrally from Athens and money are redistributed from there as well. It seems that under the new laws and new administrative national plan "the Kalikratis project" we call it, more responsibility will come back to local authorities so this gives part of the answer to you. Now the inhabitants do not have much participation in the centrally taken decisions so we do not necessarily decide for ourselves. So it will bring more benefits to decide for our self and not from government.

***Researcher: Do you see any risks and threats for Mykonos in the future?***

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***Kousathanas:*** Risks and threats come from external and another levels. This is peaceful island, we do not have problems at all. Problems they have are in Athens, in big cities in Europe but not in small islands like Mykonos. People here live in peace, they try to have tourists because they know this is their life and they can not live without tourists, people live with income from tourism. We have to protect tourism because it is the only income now for Greece. There are no other industries, there is only tourism and we have to protect this. If this government understands that tourism is the only one, they have to help as part of national industry, if they can understand; we have better solutions for that. We are more interested to go to international tourism exhibition than



government. All bigger international exhibitions have to let Mykonos to be known and to promote the island and we try hard for that but government is not doing the same. Some part of Greek people they try to do damage because they do not let people to go out of the cruise boats in Pireaus and I do not agree with manifestations and they create problems to tourism in Greece. There was a strike with boats. And people could not come to Mykonos. And people watch television and see what is happening here.

**4) Stavros Mouratidis - chief representative for German tour operator Attica Reisen in Mykonos**

***Researcher: Can you describe development of tourism in Mykonos according to your point of view?***

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***Mouratidis:*** Well, I believe, because I know Mykonos from the early nineties, and back then it was much less developed place like it is now, lot of parts of Mykonos were not built, they were still in the nature way and also the roads, they made now this ring road around the city to be able to ease the traffic because it is so much traffic. I think a good way they did in Mykonos is, that they had kept its architecture, that they have very strict regulations on how to build houses on Mykonos and they kept the tradition and on the other hand they allowed a lot of people to build private villas here and to build a lot of hotels on the island, so of course whole picture of the island changed and if I see the rubbish and how the island changed in this last 10 years I think they reached the point where they should be careful not to become mass production place because it was something special and the island is small and I think they reached the limit and they can not take more people on the island and therefore I do not know if they should make some new... I mean they did already what I have heard that it is not easy any more to build house in Mykonos, you need a lot of more space to be able to build just one house that was different in the past. But especially in high season months, like July and August, I think it is too much already for the island. It is lot of big cars coming, you have even Hummers and Porsche on the island and they are definitely not made for this little tinny roads and I hope they will not change infrastructure too much because what makes the island so special is this little tiny roads that they have so if they have to make them bigger and bigger because traffic become more and more then an island will loose also part of its character.

***Researcher: Are representatives of Municipality striving not to keep it?***

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***Mouratidis:*** Hopefully, hopefully, but money always rules and I do not know if it will be like this or it will going to change one day so hopefully they will not. They still have lot of things to do. I think the bus transportation is very good for the island, very regular and you can get pretty much everywhere. They have left the north part of the island, there is lot of beaches that are not allowed to have any sun beds and umbrellas so they kept them in natural way and hopefully it will be like this for long time.

***Researcher: Is strong north wind reason for that?***

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***Mouratidis:*** Well, it depends. When you have the north wind, which is most of the time that is true, but on the other hand it is by law forbidden to build any sun beds; and there is enough place where they do have the north wind. I am sure if they could made umbrellas and sun beds they would do them. It is true that it is not as developed, because the south beaches are more protected and most of the people go there because lot of wind but somehow they managed to keep this area protected. I noticed that towards it, they made at the port, when

you arrive they look quite clean and new, but I think they will be lot of things they could do better. Specially when I see the rubbish that is not so much in the town because there is lot of shops that are taking care of the places for sure but once you go out it is lot of things you can see on the street and everywhere but overall I think they did a good job, and they just have to be careful that it does not get too much for this little island, because the island is small and they have had already problems with water and everything, so much people that would mean even bigger the problems.

***Researcher: Do you know how to involve other parties to decision making concerning to destination management in order to sustain visitors to come and taking into consideration the interest of people in Municipality performing more positions at the same time?***

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***Mouratidis:*** I do not know either whether it is possible to take other views into consideration, I know there is a big lobby and there is a lot of power that hotel owners have here and from what I heard it is also pretty much it is few families that are involved in all kind of businesses on Mykonos, if it is hotels, if it is bars or restaurants or even the beaches that they own so they have for sure lot of power as well even if they do not have any position as a title, for sure they can influence a lot, the politics on the island but to be honest I do not know because I work here just for second year and before I was coming just for holidays and I do not know exactly how this works and how good or how bad it is that you have pretty much few persons deciding for many different things.

***Researcher: Do you see big influence of national strategy and national government as here on a local level they do not have much power to influence the development?***

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***Mouratidis:*** I would have thought that it is not like this, that here is quite powerful local government. General things they have to follow but then again I am sure that they can do also local politics as well.

***Researcher: Concerning to accommodation ownership on the island, is majority of the hotels family owned?***

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***Mouratidis:*** Yes, for sure. It is not only one family owned, but it is like two or three families that own a lot of properties. For example big family with its cousins and this stuff, but it is lot of families. I know one, which owns lot of hotels and lot of different places. There are also few people from Athens who came here like mechanics and this stuff and they bought some property but I would say 70 % of the property is owned by local families and their relatives.

***Researcher: Concerning to economic leakage, do money earned here stays or are coming away?***

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***Mouratidis:*** Well, I mean I worked in different islands and it was pretty much in every island like this that it was run by locals. To be honest Mykonos is one of the few places if you have money you can do your business here. They are quite open to this actually, it is not like other islands where it is much closer and they

would cause you lot of problems if you want to do something. It is quite liberally, because it is very expensive to buy nowadays a land and everything, it is pretty much impossible to make something new, so it is kept by families in Mykonos, all the businesses.

***Researcher: Would you say people are coming individually to Mykonos or there are more charter flights?***

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***Mouratidis:*** Well, there is quite few tour operators, one I am working for, there is a lot of people coming individually, yes, a lot. It is not a destination, because from its size, it is very small island, so it is not a destination where they bring the big arrivals on charters. What they do is Italians because they come only for a short time and they come with charter flights but there is lot of independent tourists, I have seen Brazilian, Mexican, Australian, New Zealander, it is most international place I have ever seen in Greece, maybe with Santorini together and they always travel individually. So overall, it is not as many charter tourists as you would see on Crete or Rhodes and these big destinations. Yeah charter flights, it is a lot of individuals, coming with the boats, coming through Athens by planes and this stuff.

***Researcher: Image of Greece is decreased by current crisis. Do you think that Mykonos is affected as well?***

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***Mouratidis:*** That is partly true. It is not only, it is true because Mykonos is a special destination. There are many rich people coming to the island so they will not be affected as other places, but also big part of tourism are Greeks who come as well and they feel straight now, I mean it is a very popular destination for Greeks, not only for the rich ones but also for the middle and even for the lowest because they have always this dream to come to Mykonos and since Mykonos is expensive anyway and they do not have much extra costs to pay less money the pockets, you could see it already in June and Many, specially on June, because May is a bit early for Greeks and June that they did not come on weekends especially when they used to come big amounts of people so you saw it is not the same as last year so in this case for sure. And I spoke to few hotels, car rental places and restaurants and they all said they feel it, because Greeks, if they come, they are pretty much are always the best visitors as well, because they come here to spend money and not to have a salad only. So if Greek does not have money, he does not come. He stays at home. If he wants to come, he comes here with money to spend and this summer they definitely have no money then other years, so in this case you definitely feel it and we do not now yet because the big months are coming now, July and August, and especially August when all the Greeks have holidays, so for sure we will know after August but it looks like it will be definitely less Greeks coming. You do not see it on the rest of the tourism, big part of Mykonos tourism is gay tourism, we have them especially in June and September, they usually have lot of money, the have creative jobs, they do not have children to support so they have lot of money to spend. They do pretty much as they did before as well. We did not see the difference. You will see it on the Greeks and on people who ...because Mykonos grow up as I said before last years, you have also people who come to this island who do not belong to high society one and you will feel it on this sort of group,

not so much on the one who have few megas and few thousands less. We saw on Greeks and people with smaller budget travelling.

**Researcher: Do locals have other choice than working in tourism industry?**

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**Mouratidis:** Yeah, I mean I do not know it by percentage, but I am sure that minimum 90 % depends directly or indirectly to tourism. There are no other resources they have, even the shops here that serve for construction and everything is also tourism. If tourism does not come and they do not make money in construction, it is not only money that hotels and restaurants make. It is everything around included and for sure, it is big amount, I would say just from my feeling that is like 90 % because there is no agriculture here, there is no industry, there is nothing else than tourism. That is the only thing they have, it is true. I do not worry so much about the locals because they have made money for years now and they can easily deal with this crisis. It is more about people who are coming to work here and it is big amount of people who came this year and could not find the job even it was always very easy to come and find a job in Mykonos and I heard about it as well as they do not have paid properly and they have lot of problems this year that they did not used to have it years before. And the biggest down is in the construction because there was nothing new build or renovated because of the money.

**Researcher: This question was connected to new generation to come. Do you think children of this generation who is involved in tourism would like to continue?**

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**Mouratidis:** Well, I mean for sure once who is born to a family and who owns a property and it is naturally that they keep and taking over the place. I know few hotels like Mykonos Grand, 5 star hotel where there are 3 sons and they are all involved in business, father who made everything he still works and makes far more people but all the possibilities and management of hotel is taking over already by their sons, who are in between 25 – 40 years old and this happens with restaurants as well, and with other places here, especially the once people go out to study international tourism and everything and then they come back and they can try to improve the hotel.

**Researcher: Concerning to the environment, as sustainability concept includes not only economical and social part, so it is about nature. How would you describe the consideration of people towards the environment?**

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**Mouratidis:** There is not so much fauna and flora on the island. We call Mykonos a rock, because there is nothing really growing on the island. This was why Mykonos was for many years the poorest place in Greece that they did not have anything, you know, and island was really poor. What they did was and I do now know whether they did it in purpose or they just did in the middle of 60's and beginning of 70's they came to the island, they allowed swimming and they had gays who they accepted, which was for years this 60's and 70's was quite liberal, I mean I am sure, it is not only Greece but many other European

countries that they would not allow this. So they are benefiting now from this, you know, then when gays came together with celebrities and everything, but an island itself did not and does not give anything else to do. That is why the poorest they became one of the richest because of the tourism but if tourism for some reason would go down or would be anymore there, they would be again very fast the poorest in Greece, but there is nothing at all you can do here. There was a little private agriculture people did and maybe still do but there is nothing else definitely from what you could earn money and I am sure out of those 6000 locals there would not be couple of hundred left on the island. They would go to Athens. So it is a big thing and that is why what I have said before they have to be careful not to destroy themselves. It is not so much about fauna and flora because there is nothing, like no forests or something here they could take care of. It is more what I said about that they should not let too many people to an island any more, you know the infrastructure and everything because this can destroy the place as well if you build more and more and bigger roads and the more people you have, the more rubbish they produce and everything, so this is the thing they should be careful from. But apart from this there is not really any nature here that could be important to look after.

***Researcher: Do you know something about the promotion or how the island is promoted?***

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***Mouratidis:*** I have seen some spots when I was living abroad and because I lived most of the time in the winter abroad, there was not so much promotion and I think they really do not need this promotion as well. I met lot of people specially ones who do not live in Europe like Americans, Australians, Asian people and for some strange reason, they all know Mykonos, Santorini and Athens maybe because it is a capital, because of the Olympic Games and Acropolis but they would not know any place like Crete, any place Rhodos and place like Corfu, which are much bigger islands, much more important islands, so it is I think over the years they had a promotion by people, I mean there are few songs they made and they do this kind of promotion. But I have not seen really the TV spots and advertisements in newspapers and this stuff. I think they are really not that depending on that ones to be honest. Now with the movie that was shot here last year they will got an extra free advertisement but even all the years they really did not need any promotion. So I did not come across with any, to be honest. In Greece of course it is all over every year they show in TV, you know celebrities coming in but even if they would not, it is not so much promotion, it is more about gossiping, like something to say and fill in the program, because it is more interesting for them. They would show anything of Santorini and other islands. But in the other countries I did not come across with any promotion. Of course, when somebody tell you about Mykonos, you get more interested than just seeing an advertisement.

***Researcher: In studies made about Mykonos 20 years ago – rich people and jet set just stopped to come and since then, the local authority wants to focus on high quality tourists. Do you know different ways how Mykonos can attract future tourists?***

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***Mouratidis:*** That is exactly what I have said before. I mean the island itself kept high standards on the prices depending on food and drinking in most of the

places, because they are quite upmarket, but building more and more you have also cheap accommodation, especially on off months and celebrities and rich people they like to come in the off season like June and September. They would never like to come in peak season and of course they do not like it when you have let's say normal people around you, so that is why they stopped coming. When I came here in the early 90's, we had to sleep on the terrace of the house because there was no accommodation and it was back then expensive even to sleep on the terrace and to have shower down in the house, so there is still lot of coming, but for sure what happen is also that now once they come with the yachts they spend the nights in their yachts and you do not see them actually on the island or interacting with other people, because they do not feel as comfortable anymore as they felt maybe in the early 80's and late 90's. I believe in this for sure and that is why they have to be careful if they want to keep this level and everything they have to go back to a small amount of people and to provide better service. I do not know whether it is possible now, it became actually too famous as well and everyone wants to come here now and young age want come to Mykonos and to say "I was in Mykonos".

***Researcher: Is Mykonos considered to be a salient place for its image and prestige?***

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***Mouratidis:*** Absolutely yes, because they were comparing themselves to places like Monte Carlo and this is a place that has not changed; it still kept this reputation of being expensive and it did not become as big as Mykonos changed.

**5) Georgo Papadopoulos – receptionist in Leto Hotel, Chora, originally from Thessaloniki**

***Researcher: Can you describe the development of Mykonos according to your point of view?***

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***Papadopoulos:*** Development of an island is since I am here, last 17 years, it is hundred percent I think. When I arrived here there were no roads, water, and electricity cut down every day and now most of these problems are solved. That is why tourism here was every year it is better and better, except last two years I can say, which is not so nice.

***Researcher: How do you perceive the management of development of Mykonos done by local authority?***

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***Papadopoulos:*** Well, of course you can not say not well, because if it was not well we would not have tourists for last 20 years. Of course some things they could do better, especially last 2 years because of the crisis. Some things could be better, for example new port, which is built for very long time now - 5 years. Now it is almost ready. There is also no parking and we need more parking place, this new parking places is made for last 3 years and still it is not ready. In the town you can not park at all. They call it parking, but you can not park there.

***Researcher: Can you say that most of the accommodation in Mykonos is family owned?***

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***Papadopoulos:*** Yes, I can say most of them yes, primarily small ones belong to a family. But the thing is that in the past for example the father was an old fashioned hotelier. Now children are modern people, so they are modernized and hotels belong to family and now they hire lot of foreign people to work. In the past, it was one family and they were thinking how many people we need to work in the hotel - 10, so we are 4 in the family, we take 3 cousins and 3 other relatives and that's it. Now they do not think that way. More tourists mean more work thus need for more workers. Thereby so many foreign workers are here.

***Researcher: Do you see it as a problem that foreigners work here; does it change the image of the island?***

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***Papadopoulos:*** We need foreigners because lot of tourists is coming here. We need people to work here, so all the foreigners come here. If they could not find work, they would not stay. Another problem is that some hotels they hire foreigners for jobs that usually worked Greek people with higher education. If you work in the reception of the hotel you have to speak few languages and you need minimum education. Foreigners sometimes do not have this education.



***Researcher: What do you see as a strong point of Mykonos?***

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***Papadopoulos:*** Mykonos has a unique name. It is like brand name. People all over the world, they come because they heard about Mykonos, not maybe about Greece, but just Mykonos island. Mykonos town is unique and they can not see anywhere else. It is very small island, but very beautiful, nice beaches and so on.

***Researcher: Do you see any risks or threats which can influence development of tourism in Mykonos?***

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***Papadopoulos:*** Well, currently the crisis, because of the strikes and demonstrations in Athens and we have here cancellations in the hotel because of the boats. But more or less I can say Mykonos has big power in tourism so I think one of the last islands which would have serious problem is Mykonos, because of the name of the island. Lot of people prefers to visit Mykonos besides the crisis.

***Researcher: What advantages do you have as a member of hotel association?***

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***Papadopoulos:*** I think as a hotel you have to be a member. We have to pay some fees, not something important. The main thing is, they visit exhibitions and they promote the island and the hotels. But I am not sure how successfully it is done. But I believe they can do something better or differently. But we also promote our hotel by ourselves, we have a website, we have cooperation with two travel agents, both from England, so we have mostly British visitors, and also Americans. This hotel is the oldest on the island, so everybody knows Leto Hotel, especially Greek tourists. In town, in this small area, there are only 3-4 hotels, so all of us are pretty busy and sometimes we help each other, so we are not competitors. If we are full, we can recommend other hotel to tourists and they do the same for us. I mean the overbooking for example – but not far, something close and the same hotel class.

***Researcher: Do you think people are coming here mostly individually?***

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***Papadopoulos:*** In this hotel individually, but this hotel is small property, so we can not accept big groups anyway. But usually in Mykonos, most of the people come individually. Another thing they should pay attention is to East Europe, China because we do not have much visitors from those countries.

***Researcher: Is Leto hotel open for a whole year?***

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***Papadopoulos:*** Yes, we are open for 12 months. During the winter there are few tourists and most of the people are coming here for the business. Sometimes we are full during the winter but sometimes 5 % and it depends on the weather.

## **6) Anna Tsavalos – employee of Agriculture Museum, Chora, Mykonian**

Woman did not want to be recorded on the dictaphone, but she was kind to answer all of the questions. She had just more critical view on development in Mykonos in comparison to other previous opinions. The reason is that she does not run any hotel and does not own a shop; she works in the museum, which is financed by local municipality and for last two years any investments were done. She believes that economic crisis definitely affects Mykonos, because she can see it in visiting rate in the museum. During the interview in the early afternoon in July 2010 museum was empty, as in comparison to last year in September 2009 when it was full. Tourists visiting the museum are mainly from cruise ships and somebody should be responsible to attract people from those ships to the museum. Ticket to the museum is just for 2 Euros. Because of not enough tourists, she claims tourism is not good now and she is not convinced about what the future will bring. As far as museum is dependent on the cruise ships, this must be changed and organisers should attract people to visit museum and not only to promote having coffee in a seafront bars.

She has three kids and does not have enough money to support them in studies. She tries her best to live with small amount of money on the island for a whole year. Those rich Mykonian people should be learnt how to live with small amount of money and not be dependent much on tourism, because once the tourism can stop and she thinks about people, what they will be doing in that case. Mykonian became rich very quickly and when the crisis comes and somehow it will happen that tourists will not come, definitely those Mykonians will become again poor to an equal speed. For the new generation to come, Mykonian children want to study abroad, to experience different places and to come back and work in tourism. On one hand it is an advantage, that Mykonos provides possibilities to work in tourism industry, so then the future of those children is ensured but on the other hand they do not have other choice if they want to stay, live and work in Mykonos. It is difficult to find a job in different industry while Mykonos is dependent only on tourism. It means for children to study whatever field they want but anyway they will be stuck to make business in tourism in Mykonos. In comparison to winter, summer in Mykonos is overcrowded and prices are very much affected by tourism. It is very expensive to live on Mykonos in comparison to other islands, even Athens. Athens is also a place where it is difficult to find a job because of big unemployment and current crisis. She believes, that time will show how Mykonos is affected by crisis, and not only Mykonos but tourism industry in Greece as such. She compares this situation to a war. No ones knows how long it will take and what consequences it will bring.

Concerning to a development of an island, she mentioned a mayor who holds an office for last 16 years. Thereby the things are running by people who have the same mind for those years. She suggests young people to be there, although young generation can really influence the development, the traditions and ways of how tourism was managed in Mykonos. She argues that it will not be a problem, new generation just has to adjust and hopefully they will run it in the same character as it was in the past until now. Also the property is expensive and she has to pay high price to live here. She would like to influence the

decisions taken by local authority on the management of tourism but according to her, it is not possible at all.

This is the example of woman who did not become rich from tourism, so she believes in new generation with new mind to make some changes. She claims that new generation can be better in prospect to future. Concerning to cruise ships, people who come here do know Mykonos but do not know Greece. Some strange case with tourists mainly from America happened. They were having cruise in Greece with a stop in Mykonos, and they did not know where they are, thought being in Turkey. Concerning to promotion of Mykonos abroad, she thinks that money are spent in vain. There is a promotion, but people know Mykonos and they will come without the advertisements abroad.

## 7) Tzanis Zouganelis – EasyRent – rent a car, Chora, from Athens

**Researcher: What is your view on how the development of tourism is managed in Mykonos?**

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**Zouganelis:** At the moment, Mykonos is already developed. Tourism is being here and because too many visitors visit this popular destination, companies here are concentrating on tourists like hotels, rooms to rent, car and scooters to rent, and bars and restaurants, all that. Through years, like last 20 years, Mykonos is getting more and more on that. At the time, nowadays now I believe it has reached the maximum. I can not imagine, because there are too many businesses here, too many, much more businesses than visitors. At the moment, the Greeks having financial problems, Mykonos is ready to welcome much more visitors, visitors they come now at the moment.

**Researcher: Do you mean that Mykonos reached the maximum of the capacity?**

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**Zouganelis:** From now on, the capacity, like the demand of people is much less than the availability. Availability of rooms and cars and everything, and beds and beaches, I mean places which are available for visitors. It is bigger than visitors.

**Researcher: Thereby still you can accommodate more people?**

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**Zouganelis:** Yes, I mean, of course. Even if at the moment today, even if it was double time, two times the visitors, they can still find it and that is what I believe in. It is too many free places for visitors. That is because through years I used to see a development of tourism here and everyone was like let's go to Mykonos to open business, it is so profitable. Let's go there, and now they saw they reached the level, that actually visitors are not so many to satisfy all the businessmen here. Too many businessmen came. But for the system to get balanced we might find ways to bring more tourists here with some ways maybe getting prices cheaper or promote Mykonos, and from the other hand some businesses might close. They might not survive.

**Researcher: Do you live for whole year in Mykonos?**

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**Zouganelis:** No, that is family business, with my father and sister. My father is from Mykonos, but we have grown up in Athens. So we live in Athens during the winter time. We come here only to Mykonos during summer time. We only stay and work here six months during summer season and then the rest in Athens.

**Researcher: Do you work in Athens?**

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**Zouganelis:** I should, I wanted, I would like to, but I got benefits and because of my work here I only work 6 months and during the winter time I travel. I am travelling to foreign countries. I went to France, America for 6 months during winter time.

***Researcher: For how long are you running this business?***

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***Zouganelis:*** It is fifth year it works. It was very easy to open it. I just found office at the port, we bough cars and we rent them. It was not something difficult to open. It was easy. There are tourists, thanks God, there is job, it is okay. But in my opinion, even though some people might find it really interesting like working six months and six months not at all that sounds terrific and many people believe that it is great solution, but in practice, I would not say it is worth, because it is too tiring having hundreds of days in a row and working like that and in places you have not grown up like not in capital or smaller village. Too tiring, you forget your summer; you only have free time at winter time in Athens. I think in practice I would have more smooth life if not being Greek and it would be better comparing to crazy summer like working too much.

***Researcher: But this is Greece about, do you agree?***

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***Zouganelis:*** Greece is like that, yes, of course. Many people that work in tourism, they have to live with that, of course. It is a philosophy, the biggest industry in Greece, the biggest production of money, let say for Greece is tourism and we should live with this fact.

***Researcher: Concerning to current economic crisis and strikes mainly in Greece, do you think it affects development of tourism in Mykonos?***

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***Zouganelis:*** Listen what I do believe. Of course, problems and crisis in Athens, strikes are bad news to hear for tourists. You do not want to hear about strikes, but it will not continue for long time I think. It is only, when they learn bad news they react, but it will not take long. What would actually happen, in my opinion, is that financial problems and crisis in Greece will get prices cheaper, will make all goods and everything cheaper, because there is money around the market, so even in my business, to speak personally, previous years, like 2 years ago, it was much tourists, much more Greeks coming to Mykonos, I could rent the cheapest car for 50 Euros per day and nowadays, Greeks are not very easy to spend days and come to Mykonos. Now I can not reach bigger like more expensive, price about 35 Euros per day. So even in my business, while 2 years ago I could rent it for 50 Euros, now I am pushed to rent for 35 Euros. I believe that financial problems in Greece, the islands and Athens as well, so I am optimistic that the crisis will get prices and everything cheaper, in hotels, cars and restaurants and it will make attractive for tourists. As for example, very cheap countries they really might have financial problems like Thailand, Cuba maybe even there, quality of life is not good, they are not rich countries and if you see the tourism there, it is really big, because prices are cheap and it is very good attraction for tourists. Of course I wish the same not to happen exactly in Greece but I believe that prices until today like previous two years was so high. Mykonos is one of the most expensive destinations with the currency of Euro, even the Americans, when the Euro came so high for them, like foreigners from over seas, not from Europe, they will prefer to go somewhere else. Maybe America, Turkey, Thailand, somewhere else, except Europe, especially Greece.

**Researcher: I believe it is a decision of each business, thus any other party can not say to decrease the prices in destination of Mykonos?**

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**Zouganelis:** Nobody can say that. It can not be decision of politics to say okay, let's decrease prices. You are pushed as a small business from the facts. You are pushed to make prices cheaper. And that would happen as small business will make the system balanced to lower the prices.

**Researcher: Mykonos is considered as an expensive island and reduction of prices will not be very easy. Do you agree?**

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**Zouganelis:** Yes, Mykonos is still very expensive. Mykonians and businessmen in Mykonos have got used to very expensive prices. Many visitors with high prices have got used to this situation. It is more difficult for businessmen to decrease the prices and they find it more difficult comparing to other islands that they used to. Even in Mykonos would be affected. Maybe not as much as other places and it considers having luxury facilities in Mykonos and rich men come here but even here you will see that prices can decrease.

**Researcher: Do you think the idea of new area of parking place is a good one for traffic in the city?**

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**Zouganelis:** I believe yes, because Mykonos as it is, it only has one centre and everything is placed in one centre. So all visitors how it works in Mykonos, if you are the tourist, you just decide one beach. First of all, big advantage of Mykonos is that it has so many beaches in small bays. It is a small island with many different beaches and then it is not very far from Athens; even you can do it in 2-3 hours with fast ferry. So how it works, at the day you can choose one beach and go there to have fun and then, you know that all visitors after the sunset let's say around 8 o'clock in the evening, they return and everything takes place in the city, one city in centre of Mykonos. So you need definitely big parking space for free. Even it is not big enough as it could be, it gets full. Maybe the work with other construction, I mean definitely we need many parking spaces for visitors of the centre.

**Researcher: More parking places, does it mean more cars, generally on the island?**

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**Zouganelis:** The more parking place more cars? I have never thought of that. In my opinion the biggest fact to decide, if you bring your car or rent, it is very expensive ticket for a ferry to take a car, it is 65 Euros, I think the cheapest way to bring your car from Athens one way so it gets 130 Euros like two ways and now from Athens for a weekend it is definitely worth to rent a car like that for Greeks. For foreign visitors they need – they want a car as well. Because of the narrow streets and not so well roads in Mykonos, you can not go everywhere by bus, so you need something else, taxis are not enough; there are about 32 taxis in the island that simply can not satisfy the demand at all. So I believe, that still the big amount of cars, too many cars in island is not a problem. Because all business has parking space and there is one big public parking space. You can find, maybe in the future, but I do not believe that it is going to happen.

Municipality is trying to solve the problem and to find a new parking place. I do not believe that there is a traffic jam problem here in Mykonos. I am not sure, but maybe I have got used to drive here. It can be a bit dangerous for tourists walking in the streets, because there are also so many scooters available for rent and which makes you more flexible and much more dangerous as well. Roads are narrow and there is not much space for pavements. In Athens I would say that the big amount of cars is a big problem. In Mykonos, I do not believe so.

***Researcher: Are your customers mainly foreigners or Greeks?***

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***Zouganelis:*** Half let's say, because we work by reservations from Athens by phone for Greeks and our office is on the street here, so we try to bring tourists to pass by and walk through our office and I believe it is half – half reservations from Athens and half walking through our office in Mykonos.

***Researcher: Can you confirm that many Greeks are coming to Mykonos for a weekend and current crisis can affect this big group to stop coming?***

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***Zouganelis:*** Yes, we are afraid so, but thankfully July and August like maybe 6-7 weekends are still full in Mykonos. We were afraid that Greeks might not be able to visit the island but still, I think they do not want to believe not to go to holidays. Greeks want to spend money and to have holidays like that and they can not stay at home. No way. Still of course, if things will get worse, of course we will have problems; because 5 years ago, it was 12 weekends and it were not only weekends. Greeks were staying easily for like 5-9 for vacation each time. Now it is only 3 days for Greeks. They have to work and take two days off - the weekends, but comparing to other islands still Mykonos is in good position.

***Researcher: What do you see as a strong point for Mykonos?***

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***Zouganelis:*** I think the reputation, developed infrastructure and way of development.

***Researcher: Do you see some weak points, which can be improved on the island?***

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***Zouganelis:*** Of course, the island loses its beauty. It is a big problem. Like if you were here as a tourist 20 years ago, it was much more beautiful island to visit. And it is because of so many buildings and so much umbrellas and beds and restaurants and people crowds around. All these people get problems. And natural beauty of course is lost. And it is a big problem, because nobody wants to an island with full of buildings and traffic. Every ones want and need a place as natural and virgin as possible. Of course, for example Bahamas, let's say with huge resorts can not be compared with very small islands. Anyway the weak point is that all tourism destroys natural beauty and virginity of the island.

**Researcher: As a businessman here in Mykonos do you have some influence on decisions which are taken by Municipality?**

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**Zouganelis:** Yes, we have, but I do not know exactly. I do not know the influence, I am just trying to be concentrated in my small world of business, and I do not see the bigger picture. I do not know about the policy and politics.

**Researcher: If you could have possibility to influence the decisions and would you be willing to express your opinion?**

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**Zouganelis:** I think that businessmen will not want this development. They want and need tourists to come and even though you can find weak points and disadvantages in all of this tourist development, at the end of the day, everyone prefers to be that developed instead of not being so much. So if you think with your wallet, you want the island to be as much as touristic place as possible. If you think with your heart, you want virgin beautiful island. But we are here; every one is here to make money. Every one is running business here to make money.

**Researcher: Do you think you are somehow contributing to the social life of people, which are not running businesses in Mykonos?**

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**Zouganelis:** Of course, those people which are not running their business here and live here, they are affected by high prices but of course, you know what, prices are high, but there are too much opportunities to work as well, so if you do not have work and you have problems, that the prices are so high, you can find a job. It is in your head to find a job in Mykonos. It has many opportunities here to work. So it is a circle, let's say it might have expensive prices, but you might have opportunities to work and if you are from here, maybe your land, buildings, houses cost so much. Everything is expensive but if you live here and you do not have a job, you can not handle it, you have to live in Mykonos or you have to go somewhere else to live. It is like, in a world, imagine like Manhattan, which is very expensive, but too many opportunities are there. They pay you good. If you are in Manhattan and you do not have a job, you do not have to stay in Manhattan. If you are born there and you live there, everything is expensive, because too many opportunities are there.

**Researcher: How do you see Mykonos in next 10 - 20 years as World Travel Organisation predicts double tourist's arrivals worldwide for 2020?**

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**Zouganelis:** I have no idea about the prediction of World Travel Organisation and their vision for 2020, but personally more or less, I believe it will be at the same level as it is now. It will not get more touristic, it will not get less, like more or less as a way as it is now. I do not believe it is going to be much more development here, like much more tourists to come, but I do not believe it is going to loose famous name of Mykonos. Do not forget, that young people will grow up and they want to visit Mykonos as well, so each year new visitors come and everyone wants to visit Mykonos with new friends and new people like that, but I believe that the maximum of development of tourism in Mykonos has been



reached. I do not believe there is much more. From now on, maybe it is going to be opposite effect. Like business will close instead of new business to open.

***Researcher: In comparison to other businesses here, do you see each other as competitors?***

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***Zouganelis:*** There is enough, like that; there are always competitors, because they can take your clients. But we do not see each other as enemies; there is enough food to serve and we are very good in our relationships. We do not have problems and we are like friends. People try as much as they can to do their business well. I do not find them as enemies or to try to get over them. I believe there is enough space.

***Researcher: Do you see as most of the businesses in Mykonos are run by Mykonians?***

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***Zouganelis:*** Mostly, it used to be like that, but now many Greeks from other places are running their businesses here, because they saw how profitable the place is. I would say that 60 % businesses are run by Mykonians and the rest 30 % by Greeks and 5-10 % of foreigners (Italians, Scandinavians), but they are very small.

***Researcher: Is there any risks, which could affect tourism development in Mykonos?***

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***Zouganelis:*** There is as you said the strikes, of course, you never now, maybe political situation with Turkey. Aegean is very variable place. If you hear problems in Balkans and Aegean Sea, it is a big threat, big problem for tourists. But financial problems I do not find them as a problem. I believe that they will get prices cheaper and that will make tourists to come here more easily as it happened in Thailand, let say.

***Researcher: What are the reasons for tourists to come to Mykonos except natural beauty?***

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***Zouganelis:*** There are many. Mykonos has some unique advantages, which is one centre, choices for any kind of life you want, if you want to dance 24 hours per day you can find it here, if you want to relax and stay with your family away from everywhere, you can go there, if you are gay, you can go to gay places, if you are like any lifestyle you want you can find it in one small island. And it is not far away from Athens, you can come here from mainland in 2-3 hours, there is one centre as I said that has everything, also too many wonderful beaches, very clear water and small rains. That is what I believe. Mykonians are open-minded, hospitable; they want to welcome every people. I believe it is what makes Mykonos so famous.

***Researcher: Concerning to environment, do you think tourism can affect the environment?***

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***Zouganelis:*** It is rocky, but it is the way it is. It is just in the centre of Cyclades. The more tourists, it can have the consequence on more waste, dirty beaches but still, through years, that so many tourists came, we did not have problems. It is very well organized and I am not afraid it is going to be bad. Of course the environment, flowers and everything never was and never existed here. It is a rocky island. Of course, if so many tourists come, it can affect beaches and they can be dirtier, but the past has shown that we can handle it; Mykonians can handle so many tourists without getting our beaches dirty.

***Researcher: In that sense you consider management good?***

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***Zouganelis:*** Management is good and I feel okay with that. Managing tourism is about to do not make so many garbage in Mykonos.

***Researcher: On one hand businessmen are focusing on profits and looking for economic prosperity, but on the other hand, do they consider the negative side of tourism as well?***

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***Zouganelis:*** Yes, it is like that. Maybe in the past it was like that, but I think the problem can be solved. It is not very big problem. If everything is well organized, you can handle all of the tourism, if you are willing, capable and work hard for mutual benefits.

**8) George Gikas – manager of Erato hotel, Ornos, not Mykonian but last 33 years in Mykonos**

***Researcher: Can you compare the situation years before and nowadays with the crisis, how it will influence development of tourism in Mykonos?***

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***Gikas:*** Listen, for that crisis not only in Mykonos, it is all over the world and Greece especially. So the things, they were expected that it will be of certain problems in business and especially in tourism, because for that is not a top priority for everybody. We have to do our living first and after if we got some money left, we will search for our holidays. So tourism is something, which is not now one of the toppest priority for clients. And this will show, that most of the people they book their holidays in the last moment.

***Researcher: Is mainland more affected than Mykonos by current crisis?***

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***Gikas:*** Yes and this is normal, because Mykonos is a name, which attracted, we would say higher clientele with bigger budget, not a normal ones and of course, that the problem we face it is less than in the mainland and other islands.

***Researcher: How is that in comparison with last years?***

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***Gikas:*** In comparison with the last years, for the moment we are in minus, but this is part of the general crisis all over the world. My opinion is that, it was also because of the football, which takes people to South Africa or it made lot of people to stay home and to decide to make holidays later. I think close to the season, I am expecting September it will be better than the year before, so looses we are having, probably will be more for overnights 5 to 10 %, but as the stay over a little bit more, because these do not go together. We were forced to do special offers, so it is normal that we make less money than the years before.

***Researcher: Did the crisis force you to decrease the prices?***

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***Gikas:*** Listen, this is not the solution to decrease the prices. But to give some benefits and some offers as well in order to attract people and the other thing is, that in Mykonos for my opinion is okay to prices to be in good standards to remain and to increase our services and our facilities, in order to make people to have in the same price better services and this is the thing that we guarantee. And this they do all the hoteliers. Because it is a small island and we have short period of operation. If you decrease the prices and you are not expected to get money and you are too much out of your budget, then you will be forced to get less people to work and to decrease the service provider and this is not good. Nobody is doing it in family companies. Most of the hotels, we are speaking for the tourism they do not like they used to work in good standards. But we still have time till the end of the season; weather stays also good which is something we have to calculate it always. I think, that the season will be as I told you a little bit minus, that the year before which if I compare to the other destinations, not only Greece, also other countries, it will be good.

**Researcher: Can you reflect for the future and management of local municipality?**

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**Gikas:** I am not Mykonian, I am last 33 years in Mykonos and I deal with tourism so long and I am one of the oldest in the business. Listen, for this they are one the way, as you have probably seen, that they are finishing big project with the new port, which I hope in coming 2 years will be finished. So Mykonos will be good option for youth, because they can safely park and also as far as I know, they are in a way to do something better with roads and with airport with everything. Do not forget also, that this coming beginning of November we have elections so we will see. There will be probably new things or the one will remain. They have to do better plan for the tourism. In the year before you were here in Mykonos, how you see the things now?

**Researcher: Actually, from my own observation in comparison to September last year and July this year, I can see less people in the city. Is there less cruise ships?**

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**Gikas:** Of course this is something what expects the season, which started little bit late. Anything you know in Greece never change, in that the product we are selling is not only the good standards of the hotel and good standards of service that they are provided. We have also sea, sun and weather is good and this blue colour of the sea and sky, lightness, it is something amazing and take the people thinking to choose for the holidays in Greece. Do not forget that whatever they say, that is media. Greece is a safe country; for you, something very similar. You stay in a Paradise. In the night, you can walk from Paradise to Mykonos (Chora) on foot without having any problem. And I think you can do this. At distance of 6 kilometres for a single woman to walk, this is something people have to think, that okay we are not speaking that only Mykonos as a small island and its control. It is a safe island for the people. And also these in Athens about demonstrations, it happens all over the world. It happens in Paris, Spain, Germany, it happens all over. But they want Greece to focus on many results and also for mistakes they were done by probably our government. They took the money, the stole the money, they loose the money. We know and they know and everybody knows that especially European Community, they know who they give the money or to whom they give the money. And you read about Siemens and all the weapons were getting from Germany. They know. They were paying the politicians. So now they are coming to say things, that they did not know, they knew it from the beginning. Now they want to make some political games which I think they start from other countries. Euro, it was very big problem to Dollar, and they wanted to make dollar stronger. So they found several occasion and opportunities. Portugal, Spain, Italy, they have more problems than we have here. So people protest, because now, because of less wages, people are expected to be retired and to get salary. Everything is done, this is not from Greece, this is from the European Community and that is why people protest. They have to protest. The way they protest, I do not agree. Greece is the tourist country and they are loosing their rights because they bother other people. Other way to protest and gain for they rights which they are expected for everybody I think. So that is the politics, but mainly for the future. For this is always a future, everybody it is getting hard times, it is like clock-wise now we are down and we are starting to go up and I think after 2 years, everything will be good, not only

Greece but all over the world, they will recover with economy and I think everything will go better. Although having a fear what will happen in year 2012 they say, I hope you know it also. So there is a future. And the future will be better.

***Researcher: Do you think all local people in Mykonos can benefit from tourism, even if they do not run their business?***

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***Gikas:*** Listen, local people as I told you before, that mostly everybody in Mykonos from the local people, they are dealing with tourism, even having 3-4 rooms to rent, private houses and all this, so they make money and they are interested in this. And this they offer apart, that they learnt from year and from their parents to show Greek hospitality, which is more to the clients and which was appreciated, they have an interest. Even if the small, let say we call it small business, this is good to make their living and to see standard at Mykonians are living, they are very good. Mostly everybody in Mykonos, they are dealing with tourism.

***Researcher: Most shops are in Chora, do you think also in other places in the island people benefit from tourism?***

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***Gikas:*** This for the shops, I will tell you, that all are not run by Mykonians. There are people coming from other parts of Greece and they want to create business here. For this mostly they fail, because we know they come and they have other calculation, because living costs in Mykonos is high. They have to get people to work. They have to pay more, they have to find houses, it is different and this people make big mistake because they are not patient to wait for some years to start to do a business, they want do this very quickly because they have probably their obligations. Pay higher rentals, pay this goodwill money to get the property, so it means that sometimes they put very high prices and sometimes they overcharge. And this is another thing, those things around, you will find probably more expensive then in other countries. I was telling you before about tourism, hotels that are not expensive. Because you can find probably for this season from 60 Euros up to 400 Euros depending whatever you want and what you want to follow.

**9) Bledar Zyba – Albanian worker, 2 years working in Mykonos (Agrari and Chora)**

**Researcher: Can you describe the tourism development of Mykonos from your point of view?**

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**Zyba:** About organisation, most of the things are getting organized from owners of the places. Like big hotels or owners of the beaches, people who got the beach, got hotel there, they are organized by their own way of accommodation, their own way of transportation. Then people are finding these places through Internet, through tourist companies, through tour guides, and also occasionally at the port. There are people working for places at the port, like introducing the places with postcards and these kinds of things. So lots of people just pick up the car and then they will go to their place. Mostly Mykonian people are doing nothing any more. The employees and the people under them are doing everything. Mykonian people are just collecting money. They are bosses, they are already too rich and where they are staying it is only cash. Most of the businesses they have a boss, that is Mykonian, but other people are running it. Of course, under the bosses supervising you are always be showing there, but the job and everything is done by the workers or supervisors or managers. I think things in Mykonos are not going well for the moment, because of the Greek crisis, because prices are raised every day and people are getting less and less and they are spending less and less and tourists are coming back less and less. From last year to this year, we have a lot of usual customers and they did not come. We had customers, they were coming here for 15 years continuously and this summer they did not come. They repeated their visits, their vacations in Mykonos for last 15 years. And we speak about foreigners. This year, they did not come, because Mykonos is much more expensive. And now people are not thinking for long-term business, people are thinking: you are tourist for a day, I will take as much as I can from you today and I do not care you are not coming tomorrow. I think for the business in Mykonos it is very bad, because lot of people is not coming back two times at the same place. Mykonos is going to change, because is planned to be sold. Maybe it is a fake and those were Greeks who told you it was a fake, because they do not like to say it. But the true is that Mykonos most likely will be sold for 99 years. Whatever is from state, can be sold. And not only airlines and properties, but including city hall. Locals do agree or not but they will not change anything since the decision will come from higher positions. So for 99 years Mykonos will be like rented. I hope it is not going to happen, but most likely it is going to happen.

**Researcher: If you consider Mykonos to be sold, can it be a risk for further development?**

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**Zyba:** Part of my personal idea looks that I am just employer here and I would say I do not care what will happen, because I will have always job in Mykonos, because of my knowledge, experience, friends, but from my opinion, I think Mykonos would be better if it was in some other hands. I mean if somebody else would buy Mykonos for 99 years, it will make something to change. And if something will change, it will be lot of things changed. Like taxes, different things, but image of Mykonos can not be destroyed, because it is an island,

which is most likely built by gay people. Tourists coming here in the beginning were gays and they built Mykonos. Because they were coming to other Greek islands and they were not accepted. They were accepted here and they started to make the life here and they are always coming back here. So Mykonos can not have destroyed image, because Mykonos has already big fame in the world. It is not easy to destroy Mykonos. Or the idea of going to Mykonos or image of Mykonos, it is not easy, but people come here, then this situation is easy to destroy their idea about Mykonos it will not be the same like they did not come here. They had another idea and they come here and think another thing. They come here to think, that it is a place to have fun and they come here to find out a place, which is only using them to take the money. That is the difference and this must be changed. It is not about using tourists, which have money and take their money, tourists should be pleased here. Should have their fun and should have things they are looking for.

***Researcher: Concerning to sustainable development – economical, social and environmental dimension, institutional dimension covers previous three to make balance between them. Can you reflect on that?***

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***Zyba:*** About economic part what will be spent from the government in the next years coming, it will be little less for this island. What is going to be spent will be spent only from owners of Mykonos. I mean Mykonians, who have a property and who would like to add something, I mean their own property for their own good business. But from government, I think it will be really less to sustain tourism because they do not have cash any more. They are not collecting cash and they are overloaded with employees. They have more people that they should have. And they have spent lot of money and they must save every single penny. From whatever they can. So I do not think Mykonos will have some at least a decade. Basically the basic infrastructure is finished. They have a new port, airport, old port and I do not think Mykonos needs something extra. There are roads to reach every beach and it is basically done. So I do not think it is going to be more expensive and I do not think there is much you can do in this island anymore. Just leave it a way it is. From government it will not depend nothing to tourist, they come or not, only the prices – that depends a lot, because prices stopped people to come here. This place is becoming expensive like London, New York and Tokyo. I would compare it with those places. Concerning to social part of sustainability, of course not every Mykonian people has a property because there are about 7.000 Mykonian people living here during summer and less in the winter. Some of them go back to Athens in wintertime. And it does not mean they own something. There is a percentage that owns, like 30 % and the rest are like employees or doing other jobs in Mykonos. And tourism is the only field you can work in Mykonos, tourism or construction.

***Researcher: Is there any cooperation among businessmen in Mykonos?***

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***Zyba:*** They help each other, those bosses. Lots of bosses are connected here like relatives. For example, I am the owner of this beach and next beach is my first cousin brother. So lots of bosses are connected through relatives.

***Researcher: Do you think most of the businesses here are Mykonian?***

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***Zyba:*** Apart of them are also foreigners, small part of it. Another part of it is from Greece, but it is mostly in the town, not at the beach. At the beach, I think 95 % of owners are all Mykonians. But in the town, there are other people from other cities who have rented a shop or business. Not bought business, because to buy a business in Mykonos is very expensive. But they might have rented a place to make a business.

***Researcher: Concerning to destination management, which supposes to have cooperation between stakeholders, can you reflect on the cooperation between public and private sector?***

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***Zyba:*** I do not think like government or city hall, I do not think they are cooperating with local owners. It is all separated. I do not think neither one side nor another they care about to cooperate. The initiatives are only from the owners and workers working for them, not from the city hall. City hall, they might have some ways, but it is general way like Mykonos in the world. They must also, because they are paid from government to do at least something, but the biggest initiatives are taken from the owners. They are making commercials, publicity, introducing things to the island, doing advertisement to the island; they are getting how to connect people even through foreigners. Like for example, you work for a tourism company in Italy, they will find you and they will cooperate with you. A lot of these people are doing this also. They are cooperating with owners here. And they work for tourist company in other countries, like for example Italy, Germany, France or Russia, it can be from everywhere. So they are finding these kinds of people to cooperate with. So it is any kind of way, but I do not think there is a connection between municipality from city hall and local owners. Those are completely different things.

***Researcher: Locals might have ideas how can things be managed better, do they have a chance to express their opinion to local authority?***

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***Zyba:*** No, because no one will hear them. But basically people have an idea in a point of view and I do not think that point of view would change much in total. Because for example, I might have a cool idea about this beach here, but this beach here is not Mykonos and does not mean it will attract people. I could make like water, sand games there, it is empty field, but it does not mean it will help to develop tourism. It might help to develop this place, this part of Mykonos, but is not going easy to know, that there is something new and is not going to be something that will attract people to come here. It will be just entertainment in this place. So if people say I have an idea, most of them are trying to make a business. Here money is in the first place. And last place. There is no other place but money. Here everybody thinks of money. That is too bad.

***Researcher: Do you see the difference between what is said to people and what they are really experiencing here in Mykonos?***

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***Zyba:*** Once they are coming here, it is what they are telling to each other that it is not what they thought. It is beautiful, but it is not really as they thought it will be. And it is worse because of the prices. Prices change a lot of things because if



things are expensive you can not enjoy and have the same fun you wanted. Because if you want to go in two bars, paying 2 beers by 5 Euros, now you can go only to one bar paying the beer that costs you 10 Euros. If you are going to the beach to sit on the sun beds for 3 Euros, you can not go now. You can go sit on the sand because it is 6 Euros now. If you are going to hotel for 35-40 Euros, you can not go, because now it is 70 Euros, so you will choose the camping to go, because everything is getting more expensive. If you want to go to have a dinner, it is not like to have real dinner, and you have to be very careful on what you choose. So most of the people are eating like fast food, lot of people are going also to the restaurants, but it is too expensive. They are going for once. And then second time, they ask where we can find cheaper restaurant. So this destroys their image because in the end you calculate, okay it was fun but I have spent a fortune. And if I spent a fortune, I can have fun even in the desert. So people are coming here for fun and for saying that once in lifetime I was in Mykonos, because of the image. Also older people are coming to Mykonos for two things: one the image, because they were never here and most likely they are not from Europe, they are from other continents like Asia or America, that might happen when they coming one time or from Europe that is above medium level of centre of life.

***Researcher: Do you see the difference in behaviour of tourists over time?***

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***Zyba:*** Most of the time, it is about the same people coming, from same countries. But it is not happening like last years, like we had 2 or 3 years continuously the same clients including new ones. Now, most likely we have only the new ones and old ones are not coming back. They are looking for different places, because they already had the image, they saw the image, they experienced Mykonos and for somehow they decided not to come anymore. And how to bring them back - people will be always glad to be back in Mykonos, because as you can see it is beautiful place. It is a good life. The reason they stopped to come were most likely prices. Most likely it is going too expensive. Like also, if they are coming back, they supposed to stay like two weeks or a month, but there are not doing anymore that. They are staying three days, five days and they are leaving. We had customers coming here for a month, or even a whole season – three months, now they come for 2 weeks and they are going back, because it is too expensive.

***Researcher: Do you see the difference between tourists in months?***

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***Zyba:*** Of course, you can see the difference in months. Gays are coming in the beginning or the end of the season, when it is more quite and also older people. The other people are coming also about this time. They are here at any time but I mean in big groups, they are about in the beginning of summer or in the end of the summer. And the younger people are coming in the crowd time, like July and August. This is the crowded time and the younger people, just for parting for a while and then going back.

***Researcher: Do prices increase even more in the peak season?***

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**Zyba:** Some prices are stable and can not be increased, like for example drinks or gas, daily stuff, but some other things are increased that is for sure, like for example to rent a room. In June, you can find a room for 35 - 40 Euros, and in July and August, it will go up to 100 Euros. Of course, the service is still the same. You get the same things, just it is called high season. There are many requests for that room, so the prices will go a lot higher.

***Researcher: Can you reflect on beaches, which attract different groups of tourists – do they differ from each other?***

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**Zyba:** No, most likely it is not like that, except the gay part. There are some places which are really about the gays, where 90 - 95 % of people at that beach are gays and also some hotels and some bars in town. And the rest, I do not think, if you can separate it from the younger or older people, it is everywhere about the same. Some beaches are quiet, but it is never really quiet. There are some beaches not calculated like one typical for families with kids and others for young. There are some beaches like Ornos and Platys Yialos or other beaches; they do not have a right to do a day party and to have a loud music. So families will pick up those places where it is more quiet, more relaxing and not so crowded. And the other places, they are doing like day time parties, they have loud music and it is always more crowded, for example in Paradise beach and Super Paradise beach. There are differences between tourists and locals like Greeks. Those people will always split places where they go. Like there are places, which are really only for Greeks. For example very famous beach is Psarou and there most likely Greeks go there.

***Researcher: One general reason to come are sun, sea, sand and sex. Do not you see still the difference among beaches which attracts different groups of tourists?***

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**Zyba:** That might happen, but most likely every beach attracts the same thing. But still you can see the differences, like families will pick only few places where to go. Tourists will pick every place where to go. Gays will pick few places where to go. They have their own community and their own places where they will go. And also families, they are like community on its own. So they will pick some places where to go. Normal tourists will go just everywhere.

***Researcher: Is it the advantage that Mykonos attracts many different groups of tourists and in case Mykonos will loose certain group of tourists, what will happen?***

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**Zyba:** Yes, Mykonos is completely different. Like Naxos, Santorini, Paros, Rhodos – is most likely Greeks, Santorini – is most likely families and Naxos – quite people will go there, and also families and older people. But Mykonos you can not separate it. You can find Mykonos to be just about everything. I can confirm that this is the advantage of the island and I can confirm that if they loose certain group of tourists Mykonos will be not the same as it was. If Mykonos will loose some group of tourists, there will be still other groups, which are coming. But if Mykonos loses gays, Mykonos will never be the same as it was. It will be

just another island in Greece. It needs to maintain the image of Mykonos as typical groups are gays and VIPs like actors, singers, models, soccer players, because every VIP comes to Mykonos. Because of those people coming also the rest will come. But if they lose those two kinds of levels, Mykonos will never be the same like it was.

**Researcher: Do you know how to protect Mykonos as far as future is concerned?**

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**Zyba:** Well, it can be a lot of ways, like you have to find ways to feel them attracted and to find new things they did not have till now. People should start to have new ideas. People, who own the places should try and start to find out new things because tourists are getting to have routine with the things. And it might come to a point, that they just do not want the things any more. So people should start to find new things, new ideas, and new ways of pleasing tourists. I do not have an idea what they could do, but I think they could do some things. First reduce the prices.

**Researcher: Will not have it another effect as by reduced prices people can perceive less quality product/service?**

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**Zyba:** It can happen that they can get less quality, but I do not think they will get less quality, because it is about the same things. When it was cheaper prices, it is the same quality and same service as we are doing like now. We did not do something more, when it was higher or lower prices. We are doing about the same things. Just we are increasing the prices. That is perception of people though, but it is like I said when people come here, having another image and find another image, that is the perception they do not have it anymore. But if they have a perception, it will be a lower quality and when they come here and find same quality that is the perception they will not have it any more. It is all again about image.

**Researcher: Do you see any risks which can affect Mykonos?**

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**Zyba:** I do not see really big risks, just few small things, because Mykonos is a machine that is already working on the right time. And it is not easy to stop it. So Mykonos will continue going on and Mykonos is very separated from the rest of Greece. Like Mykonos depends only on Mykonos. If it was not a good weather, still people will come to Mykonos, because of the life in Mykonos. People are not coming most likely for the beach in Mykonos; people are coming most likely for the life that is in Mykonos. There is a difference between day and night. It is like totally different place. Like during night time, it is party place and during the day time, it is like resort at the beach and just having relaxed.

**10) Dimitris Zafeiropoulos – Water sports, from Greece, running business for last 15 years on Mykonos, Agrari beach**

***Researcher: How do you perceive development to be managed in Mykonos and how is your cooperation with local municipality?***

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***Zafeiropoulos:*** Since 1996 we are here in Mykonos, we have this business with water sports and from last year we have a glass bottom cruising boat. We do cruises along all south beaches and Delos. We have many problems with local community, because we are not Mykonians and we have very big conflicts with local municipality. We have business here through government in South Aegean, this is how we call the area, so we have government service, that help us, but this government service can not do many for these conflicts, because local community is very strong here.

***Researcher: Does it mean that Mykonians does not allow other people to operate here and to have business here?***

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***Zafeiropoulos:*** Exactly. This is picture of our luxury boat. The problem is about a boat. It is not about this business. The reason is because here is also Association of boats in Mykonos. They also bought a glass bottom this summer, right after we brought our boat here and they want to do business alone without some foreigners. Our boat is handmade one; European Union gave us money in order to fix it and to have it done. It was European program LEADER+. It is program in order to develop some businesses. Our business had all the proper qualifications in order to have this money from EU. Thereby this program allows start up some business in Greece, program for tourism, but we have problems here in Mykonos. We do not understand it either, as well as you are surprised right now – we ask money for business development, but having problems with local community at the same time. We have all the papers that we need for this business. That is why EU gave us money, it was all legal. Local people find ways in order to make us problems with our business. They can not do anything because we are here legally and we have all the proper papers, but they can create problems. They do not give us customers or they sit in front of the boat in order to say customers that you can not go with this boat, because it is for private cruises only. So in this way we loose people.

***Researcher: Do you have to attract tourists from your own?***

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***Zafeiropoulos:*** Yes, we have to. We made very big advertisement and campaign in order people to get to know the boat on our own. No one help us. You can check our website [www.glassbottom.gr](http://www.glassbottom.gr).

***Researcher: Do you think other businessmen running business in Mykonos, who are not Mykonian, have the same problems?***

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***Zafeiropoulos:*** Yes, they have those problems also. But this particular business, because cruises they are all in one business here in Mykonos, those small wooden boats they have, it is only one business in Mykonos. It is 30 Mykonian people. It is about the mayor – "if you start the business here and if you allow

him to work we will not vote you". Locals have this view about a mayor. Any tourist's agency does not want to cooperate with us, because those 30 people have brothers, sisters and uncles and all they know each other.

***Researcher: On one hand, bad thing is that you can not make your business as you wish to, but on the other hand, do not you think it is better for the island?***

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***Zafeiropoulos:*** Yes, it is very good thing for the island, but they can not understand that. They do not want to understand. They like how it worked until now. They do not want new things. They say: we are okay, we can live with that, we do not want anyone else to do something new. That is the main problem. The port our boat leaves is Platys Yialos. The law says, that if you have your boat there you can have kiosk or ticket house for tickets. Mayor and port authority there they do not allow us to have it there.

***Researcher: Concerning to sustainability and economic leakage, it is the issue of you, you as Greek people running the business here and all the money earned here are taken back to the place you live. Is not it a reason of locals to sustain their businesses?***

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***Zafeiropoulos:*** Yes, this is true, but all the taxes we pay here and we pay for the port of authority. Our boat, it is for a tourist guide here in Mykonos, we pay for all of these. Any other boat does not pay, because it is of local people having boats here. On one hand, they should be happy, that we pay money but they are not. We can not explain that. For every ticket we sell, we have to pay 1 euro to the port of authority. This is 1 euro to port of authority from one ticket and taxes of 5 Euros to local municipality from one ticket. Fortunately we still can make a profit. I do not know whether we would have the same problems on the other islands but this boat is the most luxurious, that has been made in a whole world. It is unique.

***Researcher: Mykonos is considered as an expensive island and as you live here during the season, are you satisfied with the prices for rent and food here?***

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***Zafeiropoulos:*** We pay just like the others, rent and the food, everything. We pay normally like other people here in Mykonos.

***Researcher: How do you see the future of Mykonos, in consideration with current crisis?***

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***Zafeiropoulos:*** Actually we are very optimistic. We found an agency that has not to do anything with Mykonians here in Mykonos. The agency is not from Mykonos, so they help us in order to find people to book for the cruise. That is why we feel it as an opportunity, because everybody, who hears about it, is very happy and people have very good opinions about the boat. So we believe that we will make it. This agency is doing only promotion for us. We can not work with hotels here because of the problem of relatives working in a hotel and it is how it works here with hotels and they do not work with us. Hotel staff does not say to customer that we have here a glass bottom boat here in Mykonos. It is very pity

but fortunately thanks to this agency, which is doing promotion only from Germany, people are coming to the hotel and they are asking whether you have this facility and why do not you give me information about it? And then the hotel has to say it, because every hotel knows about us when we came here 16 years ago. We give flyers to every hotel, but they throw them away. So it is difficult to have customers and even if the promotion team has people that they are interested in cruising, when they come to the port they can not go because people say it is private, it is not that you have been speaking to the promotion team. And this is a problem. So our business here in Agrari beach is a school – Jet Ski and water sports and in port of Platys Yialos there is a base for our boat.

# Appendix II. – Promotional materials by MTC Group



**"Lunch" with a pelican or... "lunch" of a lion?**

On the island of Mykonos, meeting point of new trends, join the "divine" company of celebrities, trend setters, friends and pelicans.

On the island of Delos, meeting point of History, arrive easily by boat, get to know different cultures, visit the museum, the ancient temples, and admire the marble lions ...guarding the island since the 7<sup>th</sup> Century B.C.

Here, even time itself seems different.

**Take your time!**

11.45 Hora  
Meet by chance

11.45 Delos  
Watch (for) the Lions



o my truth mykonos

Greece  
Ministry of Tourism  
Direct General Secretariat of Tourism  
www.greece.gr

www.mykonos.gr

MTC GROUP



**To beach or... not to beach?**

By boat, car or bus, Mykonos invites you to explore the medieval monuments, the prehistoric settlements on the sand, the endless beaches and the "boys". Perhaps, the afternoon will find you lying on a beach, cosmopolitan or "private", winning you forever.

Here, even time itself seems different.

**Take your time!**

17.30 Crystal clear Mykonian waters. Yachting

17.30 On the beach. Under the sun.



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**Good morning or... good night?**

On Mykonos, live every minute!  
...Admire the monastery in the authentic Ano Mera.  
...Stroll around the picturesque alleys of Hora, reach slowly the windmills and the Paraportiani Church.  
...Choose clothes and jewelry that you will not find elsewhere.  
...Live with your friends to the full, all day ... all night!

**Take your time!**

07.00 Hora promenade.

07.00 With your friends



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**Say "cheese" or...faste cheese?**

Mykonos, the windy island with the cosmopolitan "air", the international cuisine, the sunset at Little Venice, you will love it! You will love the Cycladic architecture, the ancient cultures, the tradition, the Mykonian "Louza" ham and the "Kopanisti" cheese. You will love and remember Mykonos forever!

Here, even time itself seems different.

**Take your time!**

20.35 Ano Mera "Kopanisti" cheese

20.35 Little Venice Aperitif



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## Appendix III. – Pictures of Mykonos



Old town Mykonos – Chora (1901) <sup>22</sup>



Old town Mykonos – Chora (2009)  
Source: Private photograph of the researcher

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<sup>22</sup> Source: Municipality of Mykonos [www.mykonos.gr](http://www.mykonos.gr)





**"Little Venice" – Chora (2002)**

Source: Postcard bought by the researcher in the shop in Chora



**"Little Venice" – Chora (2010)**

Source: Private photograph of the researcher





Windmills – Chora (1981)

Source: Postcard bought by the researcher in the shop in Chora



Windmills – Chora (2009)

Source: Private photograph of the researcher