Assessing the impacts of public policies over tourism in Azores Islands.
A research based on tourists and residents perceptions

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Abstract: - Public policies directed to territorial management governance strategies could have a significant influence on activities, like tourism. In fact, such policies could profoundly shape the regions. Besides, in territories with a socio-economic basis depending on tourism, such policies could present even more meaningful consequences in the region. Thus, throughout the evaluation of the public perceptions (surveys), the present research intends to produce further insights into how those regional policies could affect tourism activities in the Azores Islands. The study shows that more than 90% of the participants believe that Spatial Planning and Planning strategies directly impact tourism in the Azores Archipelago. Also, the research shows that the growth and development of Azores are sustainable and focusing on foreign high market segments. However, Azores do not have adequate territorial planning strategies and projects to increase residents’ quality of life.

Key-Words: - Public policies, Regional studies, Sustainable development, Sustainable tourism, Territorial governance

1 Introduction

Reginal public policies could profoundly influence activities as Tourism [1, 2, 3]. In this regard, when we are in the presence of territories with a socio-economic basis strictly dependent of tourism, those public policies gain even more relevance [4, 5, 6, 7].

Therefore, there is a global concerning considering Sustainable development regional strategies for territorial growth [8, 9, 10, 11]. In fact, this is one of the biggest challenges of regional planning nowadays [12, 13, 14, 15, 16].

Considering this typology of growth, works that connect and analyze strategic planning and the related public policies and their interdependency with tourism activities are pivotal to achieve a regional sustainable development [17, 18, 19, 20].

Bearing in mind the features of the Azores ultra–peripheral territory, which is an Autonomous Portuguese Region, the authors expect to analyze the perception of the locals and tourists of the Azores Archipelago about the impacts of public policies and regional planning, over-tourism.

Contextually, the current investigation aims to identify and analyze the impacts and relations of such regional policies on tourism activity by assessing public perceptions.

2 The Azores Region and its tourism sustainability polices and strategies

According to Castanho, Couto, and Pimentel [21]: “Currently, tourism management models and those for regional socio-economic development embody the basic principles of sustainability, focusing increasingly more on the valuation, preservation and conservation of the endogenous resources of the islands”. Documents such as the Regional Sustainable Development Plan for the Autonomous Region of the Azores (PREDSA), the POTRAA and the PEMTA strongly emphasize these issues, making them veritable benchmarks of regional development.

In the last few years, the Azores Islands have received many international awards and acknowledged its sustainable development, where tourism is included. Internationally renowned institutions attributed some of these awards and recognitions - i.e., UNESCO, Coastal & Marine Union (EUCC), Green Destinations, or National Geographic Traveller, are just some examples. In March 2018, the Archipelago was named the “Best Sustainable Destination in the Atlantic,” a significant achievement for the Region’s tourism and an acknowledgment of the quality of tourism on the islands.

Tourism is one of the most relevant strategic sectors for the Azores Archipelago economy. In fact, it can make a decisive contribution to the Region’s development and growth. Essential changes have recently been made to the sector’s operating structure, which has to sustain the way for historical growth and opened new windows to the world.

In March 2015 the Azorean tourism perceived a shift. The partial liberalization of air transport stopped the long-standing monopolization by the SATA/Azores Airline (public airline). It allowed low-cost airlines to start operating - i.e., Ryanair or Easy Jet. As a result, the number of arrivals has been increasing (mainly for first-time visitors), conducting a significant shift in the regional market. Among 2014 and 2017, the number of guests at accommodation establishments increased by 93.7%, from 396,449 to 767,904. Thereby, the local economy is changing, and it is possible to verify an increase in the investment in tourism activities - i.e., from accommodation to entertainment.

Some flight companies, like Ryanair, have shown the most aggressive market approach in this new paradigm and has contributed the most to boosting international recognition of the “Azores Archipelago” destination. In the beginning, they only fly to São Miguel Island (Ponta Delgada) and, in November 2016, expanded its operations to Terceira Island (the Lajes airfield), That said, Azores Airlines (local airline) and TAP (Portuguese flag carrier airline) are also very busy. Easy Jet, which also began operations in 2015, pulled out in October 2017. Nowadays, there are high expectations about the vast service implemented by Delta Airlines, which started on May 25, 2018, and the interest of Transavia has shown in operations after 2019.

Figure 1: Methodological Approach
Bearing in mind the accommodation, hotels and similar services have more beds available and absorb approximately 78% of demand. Therefore, given development in the hotel industry, it is easy to understand how the entire tourism sector in the Azores has grown. Nevertheless, other typologies of accommodation – i.e., rural area tourism, manor house tourism, hostels and local lodging; are increasingly more sought after for authentic experiences in the Azores Region [21].

The liberalization of air transport brought a massive opportunity for the Azores, as confirmed by the various tourism performance indicators, such as occupancy rates and RevPAR (revenue per available room). However, this growth must be carefully analyzed as the destination is still in the early stages. High growth rates won’t last forever, and there are still many threats to consider. It’s important to remember that growth recorded today in tourism in the Azores is very different from previous growth. It is bringing about structural changes across the Region’s tourism value chain [21].

Despite all the changes that have occurred, there are still structural challenges to overcome [21]. Seasonality is still very pronounced, as can be seen by the number of guests at a hotel and similar establishments, a trend followed by the other accommodation types [22]. Tourists seek out the Azores primarily in the summer when it rains less, and temperatures are warmer. This behavior occurs, especially in foreign generating markets [23].

Based on this paradigm shift in the Archipelago of Azores, and considering the necessity to ensure proper development as a tourist destination, the Regional Government’s investment to obtain certification as a sustainable tourism destination by the GSTC is, in fact, a very ambitious goal. Nevertheless, one which demonstrates the political commitment and intention to make the Archipelago a destination of excellence. It is a forward-looking vision aligned with the basic principles for the development of sustainable tourism, which brings with it significant responsibilities and new and exciting business opportunities.

3 Materials and methods
The methodological approach was divided into four main stages ending in the Impacts and Relationships between Regional Planning and Tourism in the Azores Region (Figure 1). Based on the objective of the research, the authors were used different methods: (i) indirect – literature review and data collection; and (ii) direct – survey design and its implementation as well as a Case Study Research Method (CSR) [24].

Through the CSR, it was possible to collect a significant amount of data, allowing the authors to obtain a depth understanding of the major problems regarding land use planning and its impacts on regional tourism. In the following sub-sections (3.1 and 3.2), the Case Study Area, the Surveys Design, and its Implementation, as well as the Data Treatment, will be briefly explained.

3.1 Case Study Area: A brief description
The Azores are an Autonomous Region of the Portuguese Republic and one of the Outermost Regions (OR) of the European Union (EU). The Azores are composed of nine islands located in the middle of the Atlantic Ocean (Figure 2), practically halfway between Europe and the United States of America. Therefore, this archipelago has a strategic position and has been considered a sustainable tourist destination.

The total area of the nine islands amounts to 2,300 km². The islands are distributed along an axis of 600 km (southeast-northwest direction), attributing to the Region one of the largest Exclusive Economic Zones (EEZ) in the EU, with around 1,000,000 km². The distance to the Portuguese capital (Lisbon), is approximately 1.400 km (two hours by plane) and to Boston (USA) approximately 3,300 km (five hours by plane).

The Archipelago has exceptional climate and soil conditions that have directly affected the socio-economic growth of the region. Their volcanic foundation has resulted in a unique and rugged terrain and a stunning geological diversity complete with beautiful landscapes. In the Azores, there are 26 active volcanic systems; eight of them are underwater. Moreover, three tectonic plates (North American, Eurasian, and African) meet in the Azores region, where there is also a geological rift (Terceira's Rift). All these consolidated results in intense seismic activity and very diverse geological occurrences. The region's environmental and landscape richness, characterized by the intense green color, is also influenced by a maritime subtropical climate, with mild temperatures all year long (and a low-temperature range), steady rain, and significant volatility of the weather conditions.
3.2 Surveys design, Implementation and Data Treatment

The surveys have been designed considering web interviews. The selection of this type of interview was based on the fact that it is a secure method of data collection and also due to the pandemic conditions (COVID-19) the world face in the period of this study – leading to many restrictions and putting part the hypothesis to conduct face-to-face interviews.

The sample population consisted of the residents and tourists of the Azores Autonomous Region, which are the closest to and most affected by decisions and policies taken for the study area. The sample was composed of more than a hundred participants (106). The questionnaires were carried out over April and May 2020.

After the data resulting from the surveys were collected, statistical analysis was firstly performed using spreadsheets to organize the data, and then refined by statistical analysis using SPSS.

4 Results

Through the survey, it was possible to understand the profile of the group of participants (Table 1). Therefore, most representative age-group of the participants was the 18-35 years old, and the less representative was the +50 years old. Focusing on gender, 63.2% of the interviewed were female, and 36.8% male. Regarding the area of expertise, the more was Management, Administration, and Economics (28.3%). Also, the surveys show that more than 90% of the interviewed are residents of the Azores Region.

The overwhelming majority (99.1%) of respondents believe that tourism in the Autonomous Region of the Azores has increased in the last decade. It should also be noted that, when it comes to comparing the current situation with the last decade, the majority (96.2%) perceive an improvement in the financial results that tourism has brought to the region.

Table 1: Sociodemographic characteristics of the participants.

<table>
<thead>
<tr>
<th>Variables</th>
<th>%</th>
<th>Variables</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td>Area of expertise</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>36.8%</td>
<td>Education</td>
<td>10.4%</td>
</tr>
<tr>
<td>Female</td>
<td>63.2%</td>
<td>Management, Administration</td>
<td>28.3%</td>
</tr>
<tr>
<td>Management, Administration</td>
<td></td>
<td>and Economics</td>
<td></td>
</tr>
<tr>
<td>Age Group</td>
<td></td>
<td>Medical Sciences and</td>
<td></td>
</tr>
<tr>
<td>18-35</td>
<td>57.5%</td>
<td>Biology</td>
<td>5.8%</td>
</tr>
<tr>
<td>35-50</td>
<td>22.6%</td>
<td>Planning and Social</td>
<td>22.3%</td>
</tr>
<tr>
<td>50+</td>
<td>19.8%</td>
<td>Sciences</td>
<td></td>
</tr>
<tr>
<td>Resident of the Azores</td>
<td></td>
<td>Tourism</td>
<td>5.9%</td>
</tr>
<tr>
<td>Region</td>
<td></td>
<td>Others</td>
<td>23.8%</td>
</tr>
<tr>
<td>Yes</td>
<td>92.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>7.5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2 contains the values of mode and quartiles referring to the levels of agreement with each of the five statements described therein, which are underlying, respectively, to items i, ii, iii, iv and v, which were assessed on a Likert scale from 1 (Totally disagree) to 5 (Totally agree)

Table 2: Quartiles referring to the levels of agreement with each of the five statements.

<table>
<thead>
<tr>
<th>Mode</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>i – The type of tourism the Azores Autonomous Region receives is the desired for the regional socio-economic base</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>ii- The growth and development of the Azores Autonomous Region are sustainable</td>
<td>4</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>iii- The Territorial Planning strategies aimed at the AAR, and the projects that resulted from them, in the last decades, were adequate</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>iv- The Spatial Planning and Territorial strategies carried out in the AAR in the last decades represent positive impacts on the residents’ quality of life</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
In the last decades, the natural landscape of the AAR has undergone profound changes through policies and strategies of Spatial Planning.

The majority (51.4%) of the participants in the study agree with statement I (Figure 3), that “The type of tourism the Azores Autonomous Region receives is the desired for the regional socio-economic base”.

Half (50%) of the respondents agree with statement ii) that “The growth and development of the Azores Autonomous Region are sustainable,” as is shown in Figure 4.

A large part of the participants (43.4%) agree with statement iii that “The Territorial Planning strategies aimed at the AAR, and the projects that resulted from them, in the last decades, were adequate.” However, 45.3% of the participants do not agree or disagree with this statement (Figure 5).

Furthermore, 45.3% of the respondents agree with the sentence iv "The Spatial Planning and Territorial strategies carried out in the AAR in the last decades represent positive impacts on the residents’ quality of life.” Nevertheless, a large portion (42.5%) does not agree but disagrees with this statement (Figure 6).

Also, 43.4% of the participants agree with statement v, that “In the last decades, the natural landscape of the AAR has undergone profound changes through policies and strategies of Spatial Planning.” Still, there is a significant proportion (37.7%) who do not agree or disagree with this statement (Figure 7).
Figure 7: Distribution of responses according to levels of agreement with statement v.

Table 3: Results regarding Question A.

<table>
<thead>
<tr>
<th>QA- Do you believe that the changes suffered in the landscape of the Autonomous Region of the Azores have an impact on tourism?</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>No</td>
<td>10</td>
<td>9.4</td>
<td>9.9</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>91</td>
<td>85.8</td>
<td>90.1</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>95.3</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Missin
| Total | 99 | 5 | 4.7 |

Table 3 shows the results regarding Question A (QA), where was asked to the participants if they believe that the changes suffered in the landscape of the Autonomous Region of the Azores have an impact on tourism. Thus, 90.1% of respondents (valid cases) believe that the changes suffered in the landscape of the Autonomous Region of the Azores have impacts on tourism.

Table 4: Results of the Crosstabulation between Question A and Question B.

<table>
<thead>
<tr>
<th>Crosstabulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>QB- Based on the assumption that there are impacts related to tourism and its relationship with the landscape of the Autonomous Region of the Azores, how do you classify these impacts?</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>QA- Do you believe that the changes suffered in the landscape of the Autonomous Region of the Azores have an impact on tourism?</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>

% within QA- Do you believe that the changes suffered in the landscape of the Autonomous Region of the Azores have an impact on tourism?

| Total | 46.4% | 53.6% | 100.0% |

Of those who believe that the changes suffered in the landscape of the Autonomous Region of the Azores have impacts on tourism, half (50%) believe that the impacts are positive. In contrast, the other half believes that these are negative, so the opinions of the participants are divided equitably (Table 4).
Table 5: Results regarding Question C.

<table>
<thead>
<tr>
<th>QC- Do you believe that Spatial Planning and Planning strategies have a direct impact on Tourism?</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>2.8</td>
<td>3.2</td>
<td>3.2</td>
</tr>
<tr>
<td>Yes</td>
<td>90</td>
<td>84.9</td>
<td>96.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>93</td>
<td>87.7</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>99</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>106</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

96.8% of participants believe that Spatial Planning and Planning strategies have a direct impact on Tourism (Table 5). Besides, in the respondents' perception, the activities most affected by Spatial Planning strategies on Tourism are Restoration (in the perception of about 54.7% of the participants, which corresponds to 30.7% of the answers given) and Nature (51.9%) (Figure 8 and Table 6).

Figure 8: Impacts related to Spatial Planning strategies on Tourism in the activities in the perception of respondents (%).

Table 6: Linked Frequencies related to Question D (QD).

<table>
<thead>
<tr>
<th>QD_ Which are the most affected Activities by Regional Planning Policies?</th>
<th>Responses</th>
<th>Percent</th>
<th>Percent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restoration</td>
<td>41</td>
<td>21.7%</td>
<td>38.7%</td>
</tr>
<tr>
<td>Culture</td>
<td>16</td>
<td>8.5%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Nature</td>
<td>55</td>
<td>29.1%</td>
<td>51.9%</td>
</tr>
<tr>
<td>Accommodation / hire services</td>
<td>58</td>
<td>30.7%</td>
<td>54.7%</td>
</tr>
<tr>
<td>Total</td>
<td>189</td>
<td>100.0%</td>
<td>178.3%</td>
</tr>
</tbody>
</table>

5 Discussion

Nowadays, the Autonomous Region of the Azores ranks among the most sustainable destinations in the world, attested to by the several international awards, prizes, and distinctions it has received. Among them is "Best Sustainable Destination" in the Atlantic, awarded by Green Destinations in 2018, the platinum award from QualityCoast, and the distinction by National Geographic Traveller as the second-best islands in the world for sustainable tourism. The myriad of investment opportunities that become available in this context is leveraged by political commitment, demonstrated by the GSTC - Global Sustainable Tourism Council's with the certification of the Azores as a "Sustainable Destination."

The Azores region has seen very positive performance in tourism development: i) the partial liberalization of Azorean air space has allowed low-cost airlines to operate, which has leveraged international tourist flows and increased the destination's external projection in new markets; ii) the Strategic and Marketing Plan for Tourism in the Azores (PEMTA) established Nature Tourism as the Region's priority tourism product, creating conditions for investment in several businesses that...
operate within the industry; iii) Tourism was defined as one of three key areas in the Smart Specialization Strategy for the Azores (RIS3), fostering the allocation of European Structural and Investment Funds to the sector, in particular to sustainable initiatives; iv) review of the POTRAA - Tourism Spatial Development Plan for the Autonomous Region of the Azores, which is expected to be concluded in 2020/2021 and will be a new paradigm in the tourism spatial planning of the islands; v) new markets are increasingly more available, as can be attested to by Delta Airlines’ recently launched direct flight between New York and Ponta Delgada, five times a week, between May and September, during 2019.

Much public investment was undertaken in communications infrastructures - i.e., roads, parking lots, seaports, airports, hospitals, among several others. Using EU structural funds [22], and several subsidies programs with EU funds push hard private investments in accommodation units and touristic activities. Unfortunately, investments in culture did not get the same attention from subsidies programs in the last decades.

We may conclude that the growth and development of Azores are sustainable and focusing on foreign high market segments. However, Azores do not have adequate territorial planning strategies and projects to increase residents’ quality of life.

The natural landscape suffers changes. For example, the leading natural spots suffered requalification to discipline tourists passing through, improve security, comfort, and logistics. Nevertheless, through the present study, a question arises: How much invasive the requalification becomes and in what extension bites natural spot should be a matter for tourists' point of view analysis?

The Azores is a region with significant potential for ecotourism, adventure tourism, and nature tourism. However, as the destination is still in the early stages of development and given capacity constraints, a sustainable model is needed to achieve this goal. The model must, necessarily, be based on the quality of endogenous resources to diversify tourism products, increase the quality of experiences delivered, meet the expectations of visitors and ensure the impact of tourism activities on the environment and local culture is reduced. Additional care should be taken in tourism development to prevent degradation processes associated with more advanced stages of maturity in other destinations, such as polluted landscapes and ecosystems, damage to heritage, water pollution, erosion, and traffic congestion.

The strategic planning of the “Azores” destination has been carried out with great care, and sustainability issues have been vital in this endeavor. However, Azores need for this goal of adequate territorial planning. Due to the need to protect the Region’s competitive advantages -i.e., natural assets and high levels of sustainability, Thus, a suitable model must be followed. Besides, new products that increase the value of experiences in the Region and boost the destination’s position continue to be developed. Nature tourism, ecotourism, and adventure tourism, imbued with sustainability principles, can be critical products in this paradigm.

6 Conclusions

This study focuses on spatial planning, regional public policies, and their association with tourism activities for sustainable territorial development and growth on the Azores Archipelago. The use of case study analysis methods, territorial impact analysis, and surveys to examine public perception was critical to achieving this preliminary research's proposed objectives. In the opinion of the participants in the study, accommodation (54.7%) and nature (51.9%) were the most affected and cultural (15.1%), and rental/hire services (17.9%) were less affected by regional public territorial policies in the Azores. The impact on the natural landscape and proper production factor are two factors that rule public policies.

Contextually, this research contributes to moving further scientific knowledge in this thematic field, providing more insights for academics and practitioners. Moreover, the authors believe this study should be seen as guidance for the theoretical growth and development of economic models and decision-makers in similar regions.

Nevertheless, even if this investigation extends our understanding and knowledge regarding how the public feels about the regional policies and their significant impacts on tourism activities, worthwhile future research prospects are still required.

Moreover, territories are no static entities. In contrast, they present considerable dynamism [26-30]. On many occasions, such problems appear to evolve in ultra-peripheral territories even faster, leading to the difficulty of predicting their development's directions and patterns and challenges in perspective. Consequently, a continuous monitoring process of the impact of the before-mentioned regional public policies and territorial strategies of management over the tourism sector and sustainability as a whole and also to the expansion of related studies in other ultra-peripheral regions are
seen as vital to improving this subject and increasing our knowledge on the issue.

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**DOI:**10.24193/tras.53E.8


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