

# **Sustainability of Ecotourism Practices in Sri Lanka**

## **A Case Study of Hunas Falls Hotel (pvt) Ltd.**

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### ***Abstract: -***

Ecotourism, a subset of nature-based tourism shows a rapid growth during recent past. The upholding of any such dealing with the environment will not prevail in long run unless it is conducted in sustainable way. Sri Lanka has recognized as an ideal destination for ecotourists and also thriving to achieve greater foreign exchange in the form of tourism income. Accordingly, the core of this paper is to examine the extent to which the ecotourism practices in Sri Lanka contain the sustainable elements. The study utilized the case study approach and the data were collected from all the parties involved, namely service providers, employees, tourists, and local community. The study revealed that the ecotourism practices to a certain extent carry sustainability indicators while some essential elements of sustainable ecotourism are not well focused by service providers and policy makers. Further it was observed that the systematic integrated planning and assessment of ecotourism activities would ensure the long term continuation of the industry.

***Key words:- Ecotourism, Sustainability, Sri Lanka***

### **1. Introduction**

Tourism today ranks as a foremost important industry in many countries. It present. Tourism is said to be the world's largest industry, measured by gross output, value added, capital investment, employment and tax contributions (WTO, 2003). Along with the far-reaching expansion of the industry, the scope of it has also branched into wider variety of features

is the number one, if not one of the world's fastest growing industry at beyond the flight, plate and bed. Ecotourism, space tourism, cave tourism, adventure tourism and heritage tourism are few of those areas.

The tourism model known as ecotourism i.e. nature-based tourism, green tourism, or environmental tourism shows a significant attraction

by both service providers and visitors in recent past. Reasons such as increasing interest to prevent environmental pollution, improved education and awareness of nature & biodiversity, and commercially enviable traditional tourism may count that a lot.

The word ecotourism has derived from two words ecosystems and tourism. In any application, ecotourism should incorporate typically touring of ecologically unique and intact ecosystems and essentially the ecologically responsible behavior by all parties concerned.

Ecotourism often used interchangeably with other terms such as nature-based tourism, sustainable tourism, green tourism, responsible tourism, and soft tourism. Though these types of tourism have less or more elements in common they do not represent the same.

Ecotourism is a subset of nature-based tourism - tourism that occurs in a natural setting. Some ecotourism experiences may include the activities of other nature-based tourism such as adventure tourism in which the focus is on the activity, e.g. white water rafting or scuba diving.

The USA based Ecotourism Society defines ecotourism as ; "purposeful travel to natural areas,.....to understand the culture and natural history of the environment, taking care not to alter the integrity of the ecosystem, while... producing economic opportunities which make the conservation of natural resources beneficial to local people" (Gartner, 1996). The Commonwealth Department of Tourism's definition of

ecotourism (1994) is "nature-based tourism that involves education and interpretation of the natural environment and is managed to be ecologically " sustainable, where ecologically sustainability involves an appropriate return to the community and long term conservation of the resources". In simple this can be put as the responsible travel to natural areas which conserves the environment and improves the welfare of the local people (Lindberg & Hawkins, 1993). Although abundant number of definitions of ecotourism exists, majority is more towards a set of principles of ecotourism than a definition itself.

However three common themes are apparent in almost every definition; they are nature conservation, benefit to the local community (or absence of harm) and environmental & cultural education. While serving as purposes of ecotourism these principles ensure the sustainability of ecotourism in long run.

Sustainability is a long-winded topic investigated and discussed by both practitioners and researchers in the tourism arena. It is one of the most important issues affecting the tourism industry in recent years (WTO, 2003).

For many, the sustainability means only the economical viability of the operation. But ecotourism should be sustainable-ecologically, socially, and culturally apart from the economical viability (WTO, 2003). This is where the ecotourism differs from other forms of tourism by its dependence on the protection of natural ecosystems so that they and their associated cultural values

can be visited and interpreted. The greatest challenge towards ecotourism is to maintain the balance between all those endeavors so that it can be commercially viable, ecologically sustainable, and culturally responsible. So it is comprehensible that the sustainability of ecotourism is vital for the survival and growth of the ecotourism in particular and tourism in general.

Countries those thrive on gaining economic gains through tourism industry should therefore focus on how to ensure sustainability of tourism. The developing countries of the world are particularly renowned for using tourism as a way of supplementing economic output e.g. Thailand, Indonesia. Thereby numerous studies have taken place in different countries to find means and ways of ensuring sustainability of ecotourism: tourism.

In Sri Lanka, tourism plays a key role as a foreign exchange earner and just second only to textiles & garments, private foreign remittances and tea. It has recorded Foreign Exchange Earnings (FEE) 42,519 million rupees in 2007. This amount represents 3.1% of total FEE in that year. Tourism is also making significant contribution towards the GDP. The past track records of tourism statistics in Sri Lanka in terms of income generated, employment (direct and indirect), value of investments, number of establishments...etc, has proven that the growing trend of the industry will continue at an accelerating rate in future (Central Bank of Sri Lanka, 2008). In

order to reap the fruits of ecotourism in long term, it is necessary to maintain the sustainability of any such activity.

As far as this phenomenon is tested against the Sri Lankan context, one would end with no/less evidences where appropriate measures are being taken to sustain the ecotourism. Jayawardane (2003) in his study of sustainability of tourism development in Sri Lanka has pointed out the lack of consideration by government and service providers to sustain tourism in Sri Lanka. Though the study had not specially focus on exclusive form of tourism such as ecotourism, it is noteworthy to highlight that neither policy makers nor practitioners have attend to the matter of sustainability. In the light of growing interest by tourists towards nature-based tourism activities it is crucial to unearth the fact that whether the ecotourism practices in Sri Lanka carries the features of sustainability. Here the researcher was happen to investigate ecotourism practices rather than pure ecotourism operations as individual entities since no pure ecotourism entities are in operation in Sri Lankan tourism industry but entities adopting lesser or higher level of ecotourism practices along with other mass tourism orientations.

Thus this study's prime objective is to explore empirical evidences to conclude that the ecotourism practices of Sri Lanka are sustainable or not. Moreover the study would also focus on indentifying factors those hider the venues for such development if any.

Accordingly the outcomes of the study would answer the uncertainty of the

ecotourism's sustainability. Thereby the findings of the research would be beneficial to policy makers as well as service providers to establish necessary measures to improve the status quo. As no issue can be addressed unless the issue is revealed and analyzed; incorporating sustainable features to the ecotourism will be possible only after gaining an awareness of nature and magnitude of existing level of sustainability of ecotourism.

## 2. Methods

The research approach adopted here was the case study approach. The Hunas Falls Hotel (pvt) Ltd. which was founded in 1971 and now a Jetwing family hotel was selected as the entity with ecotourism practices considering the history of ecotourism operations at the hotel, awards won by the hotel for ecotourism practices, and the location of the hotel which facilitate a wider range of ecotourism activities.

The study included both primary and secondary data. The randomly selected sample comprised of managers, employees, tourists, and local people. Accordingly it included 4 executives and 25 number of employees of the hotel, 84 number of tourists from different tourist hotels (Hunas Fall hotel, Ranweli hotel, and Sigiri Village hotel), and 36 number of villagers from the Elkaduwa area; the surround of the Hunas Falls hotel. Questionnaires and unstructured interviews were employed as survey instruments when collecting data from tourists and local community. Structured interviews were used in

gathering data from the executives and employees of the hotel. The key secondary data sources included the internal records and reports of the Hunas Falls hotel and statistics of the Tourist Board of Sri Lanka.

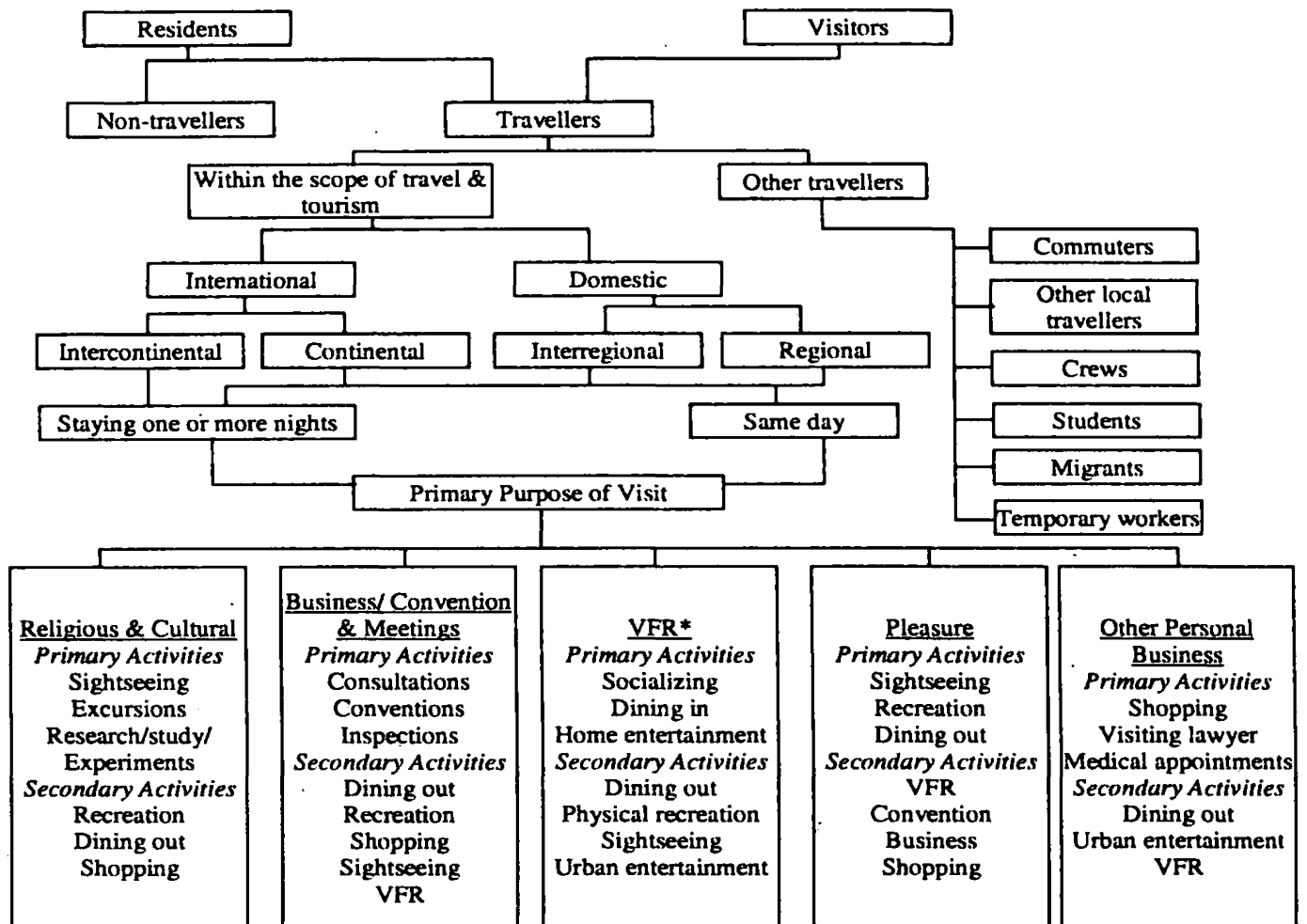
As the nature of the subject matter of the study supports only a few quantitative techniques to be used in data analysis, quantitative techniques used here were limited to few descriptive data analysis techniques such as averages, and percentages.

## 3. Results

Ecotourism as an alternative to the traditional mass tourism shows a rapid growth over the past decades. A study published in 1996 found that 33% of U.S. consumers are interested in ecotourism, and 7% have taken part in eco-travel (Pamela, 1996). Again the majority of ecotourists are from European, developed countries thus looking to visit more rural /remote and underdeveloped areas to sense the life styles and cultural values of the rural community (WTO, 1998).

Less-Developed Countries (LDCs) have particular advantages in this realm in attracting ecotourists as they have areas of undeveloped land often rich in landscape, habitat and wildlife interest and they have so far maintained their cultural diversity. In this context Sri Lanka can be viewed as a paradise for ecotourists as the natural setting of the country in terms of tropical climate, flora & fauna, and bio diversity ...etc ideally fitted to the pursuit of ecotourism. Meantime cultural diversity

**Figure 3.1 A Classifications of Travellers**



\* VFR – Visiting Friends & Relatives

Source: Pender, L. (1999) *Marketing management for travel and tourism*. London, Stanley Thomas Publisher Ltd.

and religious values also boost the value of Sri Lanka as a sophisticated ecotourism market.

As shown by the figure 3.1 if the activities of travelers are concerned, ecotourism activities seem to be included in almost every category of visitors by their purpose of visit to the Sri Lanka.

It is noteworthy that the sightseeing which is referred to the ecotourism component of the visit is included as a primary activity of both visitors for “pleasure” and “religious & cultural”.

Among these two categories “pleasure” visitors ranks the highest proportion of visitors to the Sri Lanka as shown in the table 3.1 and chart 3.1. Moreover, other categories as well include the ecotourism activities (sightseeing) as a secondary activity.

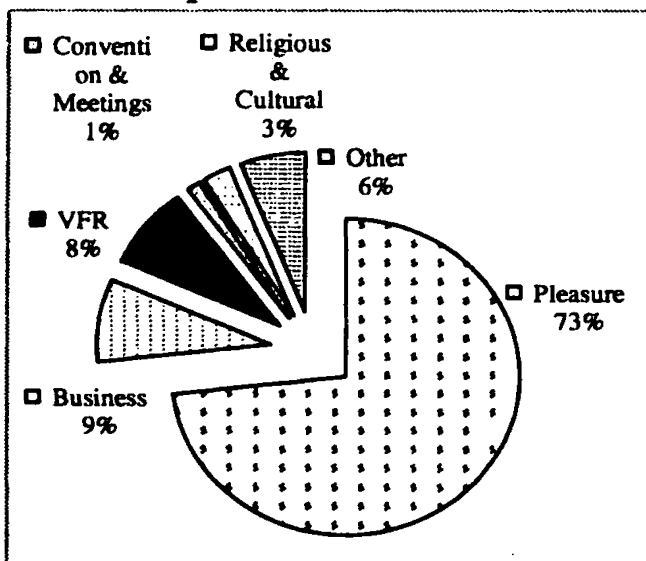
Once it is established that the Sri Lanka has the potentiality and relative attraction as an ecotourism market it is vital to ensure that the Sri Lankan ecotourism practices have the capacity to sustain the aforementioned potentiality and attraction in long run.

**Table 3.1 Percentage Distribution of Tourists by Purpose of Visit 1999 - 2008**

Purpose	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Pleasure</b>	88.1	90.1	89.2	85.4	80.8	78.2	69.6	67.4	67.1	73.2
<b>Business</b>	5.2	4.8	6.7	9.4	9.1	10.6	16.9	17.8	10.5	8.5
<b>VFR</b>	2.7	2.1	1.8	2.0	6.2	6.4	8.0	.6	8.3	8.3
<b>Religious &amp; Cultural</b>	2.3	1.7	1.2	1.0	1.2	1.5	1.0	1.7	2.7	2.6
<b>Others</b>	1.7	1.3	1.1	2.2	2.7	3.4	4.5	5.5	11.3	7.4
<b>Total</b>	100	100	100	100	100	100	100	100	100	100

Source: Sri Lanka Tourist Development Authority (2008) *Annual Statistical Report*. Colombo, Research & International Relations Division

**Chart 3.1 Distribution of Tourists by Purpose of Visit in 2008**



Source: Sri Lanka Tourist Development Authority (2008) *Annual Statistical Report*. Colombo, Research & International Relations Division

Ecotourism differs from other forms of tourism on three counts. At first its main focus is the environment. Then it should focus on appreciation of nature for its

own intrinsic value. Finally ecotourism should be practiced in a sustainable manners; that is identifying the needs of the environment where it is based as well as meeting the present needs of the visitors without compromising the ability of future generations to meet their own needs. So it is apparent that sustainability should be an inherent trait of any form of ecotourism activity but not merely an indicator of thriving ecotourism operations.

The indicators of sustainability of ecotourism are heavily conferred topic by researchers in the tourism industry. Some have identified indicators in abstract form whereas few detailed criteria can also be found. All remains context specific and hardly fitted to another system of a different context. For instance Walters and Samways's (2000) study of "sustainable dive ecotourism" produces indicators those limited to South Africa and not any

other dive ecotourism site. Thereby the validity of adopting indicators of sustainable ecotourism by non-home country studies is less. Guided by the above phenomenon the researcher has directed the study based on the sustainable ecotourism indicators proposed by the Sri Lanka Tourist Board in conjunction with the assessments of the available studies related to Sri Lanka. Accordingly, the ecotourism practices of the selected sample eco-site were assessed against the three main criteria in order to arrive at conclusions (Appendix 1).

**Table 3.2 Ecotourism Practices Exacerbate Social Inequities**

Stance	No.	%
<b>Highly agree</b>	-	-
<b>Agree</b>	03	08
<b>Disagree</b>	21	59
<b>Highly disagree</b>	08	22
<b>Neither agree nor disagree</b>	04	11

The researcher intended to present the key findings of the study while each of afore mentioned criteria is latter discussed in detail.

The ecotourism practices should essentially support to minimize or to avoid the social inequities among the local society. The table 3.2 shows the

assessment of ecotourism practices of the hotel by villagers in minimizing the social inequities.

As exhibited by the table 3.2 majority of local community (81%) accepts the fact that the ecotourism practices of the hotel are not adversely affecting to the social inequities of the area. That is an indication of either ecotourism activities carry no impact on the existing social inequities or they may positively contribute to minimize the inequities. Ideally it should aid in minimizing the inequities.

One of the most important aspects of social inequities is gender based discrimination. In most Asian societies this is greatly visible as well unchallenged under any circumstances. If it is to reduce the social inequities it is vital to eliminate any form of discrimination based on gender those adversely affect the improvement of women's situation in the society. In order to sustain in long run, ecotourism should positively impact on women's social situation.

Villagers view the ecotourism activities carry reasonable constructive contribution towards the uplifting of women social situation in the village. The table 3.3 carries evidences of how they are satisfied in this regard. Such activities that they have highlighted are English language training, vocational training, job creations, and providing a market for handicrafts of village women by the hotel.

**Table 3.3 Impact of Ecotourism Activities on Women's Social Situation**

Stance	Highly satisfied		Satisfied		Dissatisfied		Highly dissatisfied		Neither satisfied nor dissatisfied		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
<b>Positive</b>	03	08	15	42	-	-	-	-	-	-	18	50
<b>Negative</b>	-	-	-	-	07	19	02	05	-	-	09	25
<b>No impact</b>	-	-	-	-	-	-	05	14	04	11	09	25
<b>Total</b>	03	08	15	42	07	19	07	19	04	11	36	100

Environmental compatibility and sociocultural compatibility should get their hands together so as to establish the one of three main element of sustainability indicators previously mentioned.

In this regard efficient management of water resources and energy sources is a must which is a global issue today. The survival of lives as well as sustaining of any development is heavily depend on the manner in which these natural powers are handled by human beings. On top water conservation and energy management are two key indicators of ecological sustainability.

The hotel management in its environmental policy has specified how they have taken steps to conserve water and manage energy in an efficient way. Such water saving measures practices by the hotel include using dual-flush toilets, grey water reuse, tap aerators, and low water-use gardens & landscaping. The company has also created a small dam beside the hotel which contributes to the efficient

utilization of area's water resources by the local community.

The company has taken measures to save the energy by means of minimizing the use of air conditioning by providing the natural ventilation as an alternative, using low emission energy sources, purchasing energy efficient equipments, regular serving of vehicles and equipments to ensure operation efficiency, and practicing ecotourism activities with minimum use of vehicles and equipments (e.g. cycling, trekking, village walks, mountain bikes, bird watching, pony rides...etc.). The architecture of the hotel too facilitates energy management. Large open areas and mirrors allow sunlight and air to come in thus reducing energy for light and heat.

Waste prevention is also a sound indicator of ecological compatibility where the emission to the natural environment as waste is minimized as much as possible. The hotel practices



different waste management & disposal methods and strategies as necessary depending on the nature and volume of waste. They dispose waste according to its texture, as dry and wet. Each type of waste is disposed according to its constituents as well as the reusability, consistency, and toxicity. It is remarkable that 100% of wet garbage is used for the hotel's piggery and the organic vegetable garden. The dry garbage is reused to the maximum

possible and the rest is sent for recycling. The company in its own fulfills almost all the vegetable and fruit supply and a fair share of animal products (i.e. pork, chicken, milk, and eggs). Although these forms of activities are more towards farm-tourism, management has annexed ecotourism experiences to share the farming experiences together with demonstrated sociocultural values in an imaginative way.

**Table 3.4 Ecological Compatibility of the Ecotourism Practices of the Hotel**

Indicator	Highly satisfied	Satisfied	Dissatisfied	Highly dissatisfied	Neither satisfied nor dissatisfied	Total
	%					
<b>Water conservation</b>	100	-	-	-	-	100
<b>Waste prevention</b>	75	25	-	-	-	100
<b>Energy management</b>	50	50	-	-	-	100
<b>Landscape utilization</b>	100	-	-	-	-	100
<b>Noise absorption</b>	50	25	25	-	-	100
<b>Managing ecological balance</b>	-	50	50	-	-	100

Apart from the above, the company's environmental policy specifies more other guidelines to prevent waste. Some of them include, buying supplies in bulk to minimize packing, using reusable items in place of disposables (e.g. refillable shampoo and soap containers, cloth laundry bags, and rechargeable batteries...etc.), applying recycling

wherever possible, and collecting & removing all litter encountered on tours/excursions in conservation areas.

The management of the hotel considers its water conservation, energy management, and waste prevention are up to the standard (certified by HACCP) and believes that it is maintaining a high

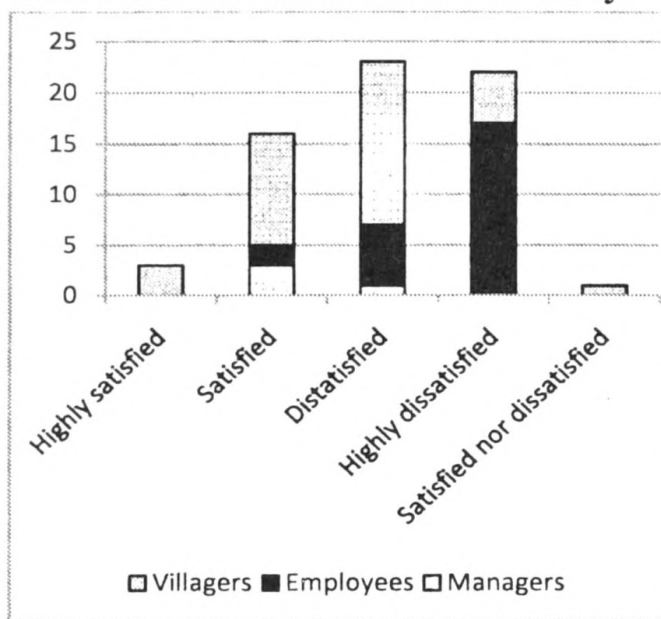
level of ecological compatibility in terms of other aspects as well.

According to the data shown in table 3.4, out of the four executives interviewed majority is highly satisfied about the state of the ecological compatibility indicators except managing ecological balance. The number of awards won by the hotel from various authorities and green associations confirm the above assessment of the managers.

Many view economic viability as the only mean of ensuring sustainability. Nevertheless it is not the sole determinant of the sustainability, it is a key element of the sustainability indicators. The receipt of monetary and non-monetary benefits to the host communities is a major motivator for them to remain in the service. To the extent that the amount of tourist currency leakage to the local host communities (including hotels) is concerned, the study revealed none of the party i.e. managers, employees and villagers are satisfied with what they gain.

Though they deem monetary gains are insufficient, both employees and villagers appear satisfied about the non-monetary gains such as job opportunities, and training possibilities. Villagers and managers also agree on the point that the ecotourism helps in strengthening the local economy and improving infrastructure used by the local communities. As a part of the ecotourism practice of the hotel, they carry out Company Social Responsibility (CSR) activities aiming

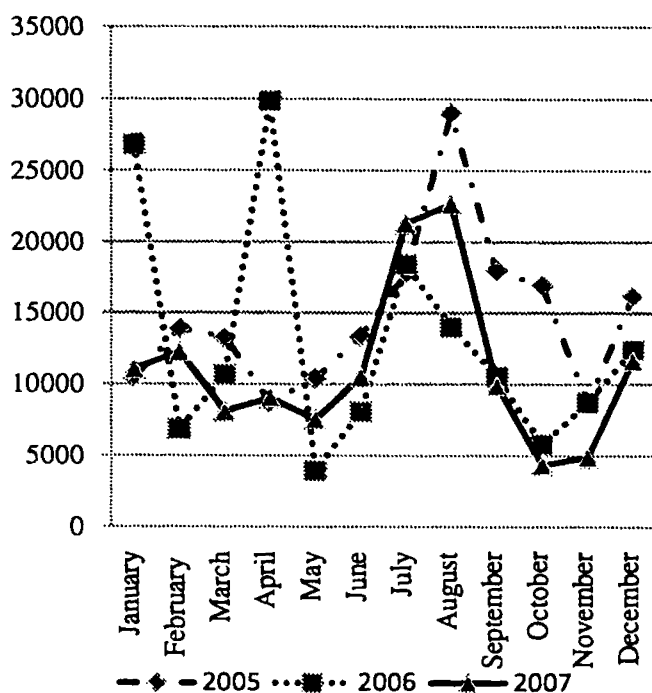
**Chart 3.2 Receipt of Ecotourism Benefits in terms of Tourist Currency**



to improve the quality of the life of the local people. Often these activities receive the volunteer support of the ecotourists by several means (e.g. money, material, technology, Know-how, funding sources, manpower...etc.). Namely few of those CSR activities are improving and maintaining a hospital ward of Wattegama hospital, donation of books and learning materials to schools nearby, providing employment opportunities to the villagers, maintaining the roadway to the village passes by the hotel, and organizing health camps & educating villagers on timely relevant topics (e.g. HIV awareness, firefighting...etc).

From the company's point of view managers expect a reasonable share of return from the investments that they have made on ecotourism activities. It is not just because that their prime motive is profit but to ensure sustainability of ecotourism in long run by means of reinvesting a share out of it.

**Chart 3.3 The Hotel's Eco-revenue (net profit) for 2005 - 2007**



Once the pattern of distribution of eco-profit over the year is observed which is shown in the chart 3.3, one can simply note the high level of fluctuations between monthly figures. This may largely influenced by the seasonality of

Level of Transparency	Tourists		Managers	
	No.	%	No.	%
<b>Entirely transparent</b>	02	50	7	8
<b>Partially transparent</b>	02	50	9	11
<b>No transparent at all</b>	-	-	68	81
<b>Total</b>	04	100	84	100

income of the entire industry. Meantime the limitation associated with weather conditions those unwilling for most outdoor ecotourism activities is also responsible for these fluctuations. The eco-profit appears to be boosted during the period of June – September in every

year. Matale area as an intermediate zone, experiences off-monsoon during this period thus favourable for a vast range of out-doors activities. Unfortunately the same period is generally treated as the off-peak for tourism industry resulting lower number of tourist arrivals. As the hotel management have limited control upon this condition alternative arrangements should be there to reef the fullest possible during the harvesting time/ peak period where there is an average annual rainfall of 3000mm (e.g. arrangements of more in-door activities during monsoon periods such as cultural shows, demonstrations of traditional cooking /weaving / handcrafting...etc.).

Financial gains from the ecotourism should essentially be reinvested to conserve the areas concerned. There should be a proper financial recording system to value the environmental resources, assess the depreciation and finally to invest fair share of eco-revenue to upgrade environmental assets. Though the hotel is not adopting a systematic approach for it, 2% of annual budgetary allocation is made for eco-tourism investments including conservation of resources. Apart from that the hotel makes timely investments for nature on ad-hoc basis. For instances, planting plants, maintain a small tea estate, introducing new species of flora & fauna to the area (i.e. flowers, vegetables & fruits, butterflies, birds, and fish), and managing water sources are some of the activities those aid in nature conservation. Cultural conservation should also align with the natural conservation in order to create

favorable setting for ecotourism practices. The researcher evidenced lack of attempts in conserving culture of the area both by the hotel and the local people. Rarely the villagers get involved in any such attempt by the hotel to preserve the culture. This is co-linked with the inadequate joint ventures between the hotel and the villagers to serve ecotourists. One example includes the introducing of regionally processed coffee to guests allowing them to experience the entire process of producing coffee at home from seed to cup.

**Table 3.5 The Transparency of Collection and Utilization of Funds**

Level of Transparency	Tourists		Managers	
	No.	%	No.	%
Entirely transparent	02	50	7	8
Partially transparent	02	50	9	11
No transparent at all	-	-	68	81
Total	04	100	84	100

Essentially the service providers have to maintain the transparency of such processes those involve collecting funds for nature conservation. Of course this is an obligation of the relevant authorities of the country; the company too holds the partial responsibility to maintain the transparency. It appears in the table 3.5 that vast majority of tourists believe that the fund collection and utilization process over ecotourism activities is entirely not transparent. In contrast to that managers accept that their process of fund handling is transparent enough as they maintain records of the eco-

revenue, eco-investments, details of donations, progress of receivers...etc. Even they are getting the participation of the donors in ceremonial occasions. The implications support the idea that the extensive gap between two differ opinions is due to the lack of transparency in fund utilization by the government. Raising consciousness for nature and resource conservation is the other key indicator of sustained ecotourism. Under this, environmental awareness has a greater importance over others for all parties concerned (i.e. service providers, ecotourists, local community, employees). This is because, the manner they contact with the environment is directly influenced by their understanding about it. Poor awareness would necessarily mislead relations with the environment resulting unrecoverable damages. The findings confirm that the level of environmental awareness of employees, managers, tourists or villagers is insufficient in maintaining healthy contacts with the environment.

Nevertheless the environmental awareness is a closely apparent characteristic of none of the parties concerned, all of them are actively engage in ecotourism activities. As visitors' awareness and their involvement are compared, a strong negative relation can be observed. Majority of guests has either fair or poor environmental awareness ranks the high involvement in ecotourism activities. Moreover no one appears discouraged in involving ecotourism activities due to lack of environmental awareness.

**Table 3.6 Environmental Awareness**

Level of Awareness	Tourists		Villagers		Employees		Managers	
	No.	%	No.	%	No.	%	No.	%
Excellent	04	05	4	11	6	24	02	50
Good	07	08	12	33	9	36	01	25
Fair	25	30	13	36	7	28	01	25
Poor	33	39	7	20	3	12	-	-
Nil	15	18	-	-	-	-	-	-
Total	84	100	36	100		100	04	100

Lower awareness has promoted the involvement of these activities to gain awareness. Although this is an advantage from the revenue point of view but the sustainability of such ecotourism practices is questionable. Once a month staff training by the professional naturalist of the hotel should be appreciate in this concern. The staff is trained to create healthy relationships with the environment and other associated cultures.

Further, company has made available various printed materials for reference by the guests. These information sources are rich with valuable information for nature lovers. The hotel's library contains good collection of "green – books" as well. The web site of the hotel is another alternative they adopt in promoting sustainable ecotourism. The researcher encountered considerable level of evidences about the attempt that the hotel is making in raising consciousness for nature and resources conservation while it was unobserved that they are following a systematic

approach of environmental management.

### 5. Discussion

The study follows three main indicators of ecotourism; ecological & sociocultural compatibility, creation of benefits for conservation areas & / or for the host communities, and raising consciousness for nature & resource conservation. These indicators were broken into 33 operational measures. Findings revealed out that some criteria report positive results whereas some do not.

The measures taken by the management in order to establish ecological compatibility recorded favorable results in terms of water conservation, energy management, waste prevention, and landscape utilization. But noise absorption which minimizes sound pollution was not at satisfactory level. The noise absorption techniques used for generators, grinders, grass cutters, washing machines...etc were less efficient in absorbing the noise. The

hotel was also not maintaining a superior ecological balance which is an essential aspect of establishing environmental compatibility. Although the hotel is not making considerable damage to the environment in this regard, it is not having proper system of assessing the usage and upgrading the environment enabling it to preserve in future as it is in present or even better. Service providers should follow the principle of intervention avoidance and minimization to ensure ecological compatibility. The ecotourists' experiences should always be limited to observation rather altering the original setting. The parties those over impressed by eco-revenue, try with some activities those threaten the ecological balance (e.g. hunting, trophy collecting, uprooting wild flowers & plants, releasing waste while lodging...etc). Most of the ecotourism activities those appear environmental friendly carry unseen threats to ecological balance. For instance activities such as rafting, climbing, mountain biking, trekking and bird watching may drive out reclusive fauna and can be a threat to protected species. Therefore ecotourism activities in large scale those consume the same environment frequently should be reduced and managed to minimize the impact.

The next constituent of first indicator is sociocultural compatibility. Among the measurements of sociocultural compatibility, exacerbation of social inequities has a greater importance over the society. There were no evidences of exacerbation of social equities observed

resulted by ecotourism activities. This is supported by the findings presented in table 3.2 where vast majority disagree on the fact that the ecotourism practices worsen social inequities. As far as the social status of the villagers are concerned, majority represent the lower middle class while handful number of families fall into middle and upper middle classes. Thus fewer discrepancies are noticeable in social situation.

On the same ground, people agree ecotourism has contributed in improving women's situation in the village. On the other way this confirms the support given by ecotourism practices to weaken the social inequities by means of supporting women's to stand alone. Additively ecotourism practices did not create favorable climate for prostitution and crime unlike other countries. While villagers and tourists believe that the ecotourism practices contain unique national identity, managers supposed this feature has yet to improve. However presenting national identity should be distinguish from selling out of cultural treasures. Guests are interesting in observing and collecting holy objects. They may view them as symbols of national identity attached to ecotourism while citizens may interpret it as selling out national treasures. Some unwise behavior of guests may cause damages to historical sites. They should be introduced to such sacred sites only under an appropriate guidance followed by a proper awareness. Meantime service providers have to actively take part in renovation and protection of such

ecologically and culturally valuable assets. In Sri Lankan context this is not ever witnessed due to lack of corporation between the government and the private sector. In the same way the hotel's role in this regard appeared very poor.

The sustainability of ecotourism exists to the extent that the cultural diversity is maintained. On the other hand observance of traditional cultural and religious celebrations should be implemented in an appropriate mode to avoid damaging their intrinsic values. Usually many refers this form of ecotourism activities as commercialization of folkloric shows to gain income resulting loosing the sustainability in long run. Thus a proper plan of incorporating the ecotourism activities into prevailing sociocultural system is very important. Here a greater weight has to be given in dealing with value system of the local people. Thereby interpretation of and respecting of associated value system would be highly beneficial. Unfortunately the hotel had not yet succeeds in taking measures to protect the value system within the society. Local people did not worth the contribution by hotel in this regard as the hotel's role in this concern appear deprived. Though there is no destruction of existing values was observed, no reasons were taken to prevent acculturation through demonstration effect where socially unfavorable values may cultivate among younger generation. Education and health public relations will help in avoiding and minimizing this.

Once the region us opened to tourism, it is said that the quality of the life of the local people is improved through migration. This is one of the important features of sustainable tourism. The villagers have received fewer benefits from arrivals of tourists to the area for migration purposes. In contrast to this, in costal areas where mass tourism is widespread many involved in tourism industry receive such opportunities to migrate. One possible reason is there are lesser venues where both parties meet in isolation without intermediation of travel agents/guides. Communication barriers are also added to this causing poor relationships. As a result there was an ill-effect on social uplifting through migration. The management's attempt on improving language skills of villagers would be advantageous in eliminating the communication barriers. Sustainable ecotourism should ideally create benefits fir host communities and conservation areas. This counts as the second main indicator of sustainable ecotourism. Host communities involved are local people, service providers and employees. Benefits include both monetary and non-monetary benefits. When the amount of tourists currency leakage is considered host communities do not receive the fullest potential disposable tourist money. Management, employees, and villagers expect higher proportion of foreign currency from ecotourism activities whereas in reality they ended up with lesser share. The guests have noted that the range of ecotourism activities is limited and well-worn those discourage them to spend more. Another fact is pricing of

ecotourism activities is done mere to capture the market rather to represent their true value. Lack of value addition to ecotourism activities also observed as a limiting factor. Distribution of eco-earnings among all the parties involved is treated as another sustainable measure. Employees and villagers do not satisfy with the prevailing system of eco-revenue distribution. But it was noticed that the involvement if villagers in eco-revenue generation is very low. That implies, though the local people expect a fair return from ecotourism operations, rarely they exploit the available opportunities. Besides they possess poor knowledge of making use of local resources economically.

So as employees perform ecotourism activities as mandate by their job, they won't earn any extra income apart from salary and service charge. That leads to weaken the motivation of employees to perform the ecotourism activities in organizationally and environmentally responsible way. An incentive scheme to encourage employees for better performance would result in delineating the inequalities distribution of eco-revenue while enhancing employee productivity. Benefits in the form of job opportunities to the local people are at a higher order. This represents another important sustainability criterion where local people trend to perceive the hotel as an essential component of the local society. Over 80% of hotel staff consists of regional people. They view hotel as their own business. While creating job opportunities ecotourism organizations should enhance the employability of regional people in order to suite them

for future employment opportunities. On one hand this counts as CSR activity to improve the quality of life and on the other hand this ensures the sustainability of a running business. Villagers expect the hotel to train them in variety of professions while the hotel's main focus is on careers in tourism. Once the scale of the hotel's operation is considered (31 rooms) management can afford for fewer number of trainees only. This does not tally with the demand by the villagers. Implementation of vocational training programs in collaboration with the government authorities (e.g. N.A.I.T.A.) would be an effective alternative for the unfilled demand.

Management and the employees are the key players of the ecotourism service offered by the hotel. Plans designed by the management would not be implemented as expected unless there is a sound labor-manager relationship. Foundation of healthy labor-manager relations is perceived wage equities among them. If employees feel that they were ill-treated and there is a considerable wage inequity those will lead to reduce the potential performance by them. Wage group employees of this case suffer high wage inequity. The wages of the employees in the tourism industry is governed by Wages Board Ordinance and was not subject to revisions during last two decades. Thereby organizations have to adopt effective pay management system to reduce inappropriate wage inequity among employees and management. Ecotourism activities of the hotel have contributed to improve the local



economy. The hotel has created a market for local products (e.g. vegetables, fruits, flowers, animal products, and handicrafts...etc.). Moreover it has opened up new income generating ways of participating in ecotourism activities (e.g. demonstrations of tea/coffee processing, cultural shows, hiring vehicles...etc.) As mentioned previously majority of villagers represent the lower middle class and the economical condition of them yet to improve a lot. The hotel can contribute in this regard by means of getting into joint ventures between villagers and the hotel to implement new income generating ecotourism activities. (e.g. nurseries to produce locally available flowers targeting local guests, herbal gardens and home-made herbal products, and developing eco-sites with available resources...etc.)

Ecotourism activities should result in improvement of infrastructure used by the local communities. Infrastructure of the area is used by the organizations and local communities commonly. Ecotourism in its sustainable context must put a greater weight upon this. The Hunas Falls hotel devotes a considerable attention towards protecting and developing infrastructural facilities available for local communities. They repair and maintain the road way to the village passes by the entrance to the hotel. Furthermore the hotel's dam helps in managing the water resources of the area and carries out various social works at hospitals and schools as mentioned previously.

Under the creation of benefits to the host communities, ecotourism activities

should aid in strengthening the informal sector of the society. This covers increase in the job possibilities alternative income generating methods, living standards, changes in preferences & interests, quality of the available products & services...etc. It is obvious that the sustainability covers wide range of needs to fulfill where as the economic sustainability is only a one consideration within it. The hotel this far had not focused on improving informal sector of the local society. But some of the other acts by hotel have contributed positively toward strengthening the informal sector. Some of such activities include vocational training, job opportunities, and language training...etc.

On average the ecotourism operations of the hotel is following broad impact and maximization principle relating to creating benefits to host communities.

Being a subset of nature-based tourism, ecotourism activities demand the frequent use of the natural resources. Thus the ecotourism operations in reverse should support to conserve the nature. Whilst the government holds the ultimate responsibility of conserving natural resources, organizations too should take part in preserving nature within their frame of operation. Periodical financing of conservation areas is regarded as essential to maintain the natural resources. Lack of evidences are there to prove that the hotel is making a significant contribution towards conservation of natural resources. A fair share of the income generated by ecotourism activities are not reinvested locally for nature conservation. Additionally reinvestment

of ecotourism does not happen in a systematic way. The management agreed on the fact that they are not creating sufficient benefits for conservation areas due to lack of financial feasibility. As far as the sustainability of the existing ecotourism practices are considered, investments on nature conservation can not be treated as a secondary consideration. The hotel has taken few measures in conserving the nature on ad-hoc basis. They are namely introducing new species to the surround, tree planting, and ensuring biodegradation in the area. But the organizational role of conserving resources should be a more widespread one.

Of course the government authorities should take the initiative in preserving the nature; there is a partial responsibility over organizations to support it as they who use nature for their own interests. It is less practical that an organization takes care of entire region but these service providers can arrange collaborative arrangements with relevant government authorities to conserve nature. At the organizational level, the hotel can practice administrative rules & procedures in dealing with nature, following an environmental policy aligned with the national environmental policy, and assist authorities & other voluntary parties (i.e. NGOs) in nature conservation.

Maintaining the transparency in collecting and utilizing fees/chargers for ecotourism facilities is a major concern by exclusive ecotourists. The

governmental managed historical sites lack the transparency of utilization of funds collected. Rarely any guest would pay more for unknown development projects. This has to be improved at the national level where the guests are made knowledgeable how the funds are utilized for development of sacred resources. The hotel at its level is maintaining a satisfactory level of transparency relating to the funds collect. They have a reporting system of eco-revenue, eco-investments, and the progress of beneficiaries...etc.

Continuation of ecotourism is entrusted by the natural balance between ecotourism earnings and eco-expenses. The eco-expenses compose of cost of tourism-specific infrastructure and management cost. Unfortunately the hotel so far was unable to establish a well-balance between earnings and expenses relating to ecotourism operations. At present hotel is making a profit out of ecotourism activities which is not relatively sufficient as the eco-investments are concerned. The eco-profit here has derived by considering only the recurrent expenses of ecotourism rather matching the entire investments in the filed.

Cumulatively the service provider's support in nature conservation is insignificant thus lacking a most decisive sustainability element.

Protection of natural resource depends on the nature and volume of usage of it. The sustainability of environment related economic activities directly influenced by the protection of natural resources. Environmental friendly usage of natural rescues exists where there is a

proper awareness and consciousness for protecting the nature. On the same ground raising consciousness for nature and resource conservation is treated as the third indicator of sustainability of ecotourism. Under this service provider should be armed with effective environmental management program to minimize unintentional damages to the environment by employees, local people, and guests as a result of poor knowledge. Creating environmental awareness, establishing the environmental compliance in ecotourism activities, training the staff and educating visitors are other reflections of sustainability. The hotel has succeeded in maintaining superior environmental compliance by means of avoiding environmentally harmful acts. They have also taken steps to improve the environmental awareness of employees, villagers, and guests. Guests are highly impressed by the visitor education methods adopted by the hotel before, during and after excursions. Once a month formal staff training on "green concepts" is also a way of raising employees' awareness about the environment. However no proper system is implemented to improve the villagers' knowledge of nature conservation. Again there were lack of evidences existing for ongoing joint ventures between the company and the local community. Establishment of joint ventures aids in increasing the loyalty of villagers towards the hotel and also acts a mechanism of horizontal distribution of eco-revenue among villagers and the hotel. The hotel is taking considerable attempts in establishing an unaffected

supply of ecotourists in future. It promotes sustainable tourism in its marketing campaigns using mass media. This accompanied the web promotion as well. Yet it is to improve the promotion of ecotourism activities among guests; those carry higher order sustainability over other from of traditional tourism experiences. The environmental management program of the hotel is also restricted to a set of contracted operational principles and guidelines. The scope of the environmental management function should be set up at the strategic level thus co-linked with ultimate purpose of existence -the mission of the hotel.

## **5. Conclusion**

With the rise of ecotourism industry, rural communities can seek unique opportunities to provide economic benefits to the area while conserving its ecological heritage. This is to be implemented along with a national policy to promote sustainable ecotourism while conserving ecological and socio-cultural treasures. In the process of developing tourism products, policy makers must ensure harmony with the local environmental sustainability requirements to evolve through effective planning with clear guidelines on the breadth and depth of the development. This goal can be achieved by educating and training people involved in ecotourism and by the actions of government and other stakeholders.

Ecotourism practices of the hotel on approximate support to ensure

sustainability on two forth; namely maintaining ecological and socio-cultural compatibility and creation of benefits to the host communities. But its role on financing of nature conservation and raising consciousness for nature and resource conservation is deemed to be insufficient in the light of sustainability. Ecotourism can clearly create opportunities for spreading the economic benefits of tourism to villagers, remote areas, and national parks, as long as the government policy aims to have more tourism in these areas and the local people have participate in the process. The increase in demands for ecotourism creates pressure on carrying capacity. Along those lines, policy makers should be aware that smaller-scale business operations are more appropriate for activities relate to ecotourism and government polices need to support this level of tourism services. Thereby all environmental and sociocultural issues should be reviewed and answered as long as to maintain the upholding of the service in long run. Most of the barriers those unwelcome sustainable ecotourism such as exclusive nature of tourism, external influences on tourism, disconnect between policy & practice, narrow definition of tourism, lack of integrated tourism planning, poor resource management, and lack of infrastructure can be overcome with careful joint planning and assessment of ecotourism operations by policy makers and the service providers. Officials responsible for conservation areas will have a major responsibility for handling challenges and deciding which sustained over the long term. Local communities

will also have to participate in planning and assessment when culture and heritage are openly annexed to the ecotourism operations.

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## Appendix

### Indicators of Sustainable Ecotourism

#### 1. Ecological and sociocultural compatibility

##### 1.1. Ecological compatibility

- 1.1.1. Water conservation
- 1.1.2. Waste prevention
- 1.1.3. Energy management
- 1.1.4. Landscape utilization
- 1.1.5. Noise absorption
- 1.1.6. Managing ecological balance

##### 1.2. Sociocultural compatibility

- 1.2.1. Exacerbation of social inequities
- 1.2.2. Social uprooting through migration
- 1.2.3. Impact on women's social situation
- 1.2.4. Maintaining national identity
- 1.2.5. Effect on prostitution and crime
- 1.2.6. Protecting value system within society
- 1.2.7. Acculturation through demonstration effect

#### 2. Creation of benefits for conservation areas and /or for the host communities

##### 2.1. Benefits for the host communities

- 2.1.1. Amount of touristic currency leakage
- 2.1.2. Vertical & horizontal distribution of growth in earnings
- 2.1.3. Creation of long-term jobs with year around work
- 2.1.4. Creation of vocational and further training possibilities
- 2.1.5. Wage inequity between management and wage group

##### 2.1.6. Strengthening local economy

##### 2.1.7. Strengthening of the informal sector

##### 2.1.8. Improvement of infrastructure used by the local community

#### 2.2. Support of nature conservation (partial), financing of conservation areas

##### 2.2.1. Reinvestment of share of eco-income

##### 2.2.2. Usage of income by ecotourism locally for nature conservation

##### 2.2.3. Creation of benefits for conservation areas

##### 2.2.4. Transparency of collection and utilization of fees

##### 2.2.5. Balance between earnings and tourism-specific infrastructure and management cost

#### 3. Raising consciousness for nature and resource conservation

##### 3.1. Environmental management programs

##### 3.2. Environmental awareness

##### 3.3. Environmental compliance

##### 3.4. Staff training

##### 3.5. Visitor education

##### 3.6. Joint venture between company and local population

##### 3.7. Promotion of sustainable tourism