

Incentives to support sustainable rural tourism in British Columbia

Incentivos para apoiar o turismo rural sustentável na Colúmbia Britânica

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RESUMO

A indústria de turismo rural da British Columbia (BC) tem a aspiração de contribuir para o aumento do bem-estar sociocultural, ambiental e econômico da província. Os operadores compreendem a importância da sustentabilidade para o futuro dessa indústria, contudo estão buscando incentivos para ajudá-los a melhorar suas práticas de negócios de modo a satisfazer essa aspiração. Olhando para o desenvolvimento sustentável com base em uma perspectiva estratégica, compreendendo os mecanismos de mudança de comportamento e considerando as características dos operadores como pioneiros na adoção de práticas sustentáveis, neste artigo, analisa-se o papel dos incentivos no sentido de encorajar a adoção de práticas de negócios sustentáveis, tendo como objetivo primordial a oferta de apoio teórico para auxiliar o turismo rural BC. O estudo consubstancia este artigo utilizou uma abordagem de investigação de método misto, combinando triangulação teórica — revisão de literatura, diálogo (grupo

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focal) e questionário e um painel de peritos — e triangulação de investigadores. As principais conclusões incluíram a importância das motivações intrínsecas para a mudança, o reconhecimento de que a tomada de decisão empresarial é altamente dependente de uma forte rede de apoio e de uma abordagem prática de aprendizagem, e que a remoção de barreiras pode ser usada para criar incentivos.

Palavras-chave: sustentabilidade, mudança de comportamento, empreendedores, incentivos, turismo rural, pequenos negócios

ABSTRACT

The British Columbia (BC) rural tourism industry has the aspiration to enhance the social/cultural, environmental and economic well being of the province. The operators understand the importance of sustainability to the future of the industry, however, are seeking incentives to help them improve their business practice as to meet such aspiration. Looking at sustainable development from a strategic perspective, understanding the mechanisms of behaviour change and the characteristics of operators as early adopters of sustainable practices, this article examines the role of incentives in encouraging the adoption of sustainable business practices, having as its overarching goal the offer of theoretical support to assist the BC rural tourism. The study that gives substance to this article used a mixed-method research approach, combining theoretical triangulation — literature review, dialogue (focal group) and questionnaire and expert panel — and investigator triangulation. Key findings included the importance of intrinsic motivations for change, the recognition that entrepreneurial decision making is highly dependent on a strong support network and a hands-on learning approach, and that the removal of barriers can be used to build incentives.

Keywords: behaviour change, entrepreneurs, incentives, rural tourism, small business, sustainability

1. INTRODUCTION

This article is based on the findings of a research conducted from January to June, 2010, which aimed to address two main questions: 1. In what ways would incentives create lasting behaviour change in entrepreneurs and small business in the BC rural tourism industry? and 2. What types and aspects of incentives does the BC rural tourism industry think will have the potential to support operators and small business owners to adopt sustainable business practices?

Such research ultimately aimed to provide theoretical information the BC rural tourism industry on the role of incentives in creating behaviour change as well as to provide it with a recommended model for an incentive programme and key aspects to be taken in consideration, hoping that the broader findings from the literature review could be generalized to other industries or/and geographical regions with similar demographics and socio-political contexts. Building on its results, this article examines in what ways sustainable business practices can be encouraged by the BC rural tourism industry through the use of incentives.

2. RURAL TOURISM IN BRITISH COLUMBIA

With the increased ease of transportation and communication, tourism has become one of the fastest growing sectors in the world (World Tourism Organization, 2009). Globally the tourism industry generates more economic activity than the oil, food production and automobile industries (United Nations World Tourism Organization (UNWTO), 2009). In 2005, the income generated by international tourism arrivals reached US\$ 680 million (UNWTO, 2009). In a report conducted by the Organisation for Economic Cooperation and Development (OECD), Canada is one of the most active countries in development of rural tourism activities and ranks 15th globally in terms of tourism receipts (UNWTO, 2009; OECD, 1994). The tourism sector in Canada generated over \$ 74 billion in revenues in 2008 (TIAC n.d.; Industry Canada, 2009). This represents over 660,000 jobs and more economic activity than the agriculture, fisheries and forestry sectors combined (Industry Canada, 2009).

According to the Statistics Canada Rural and Small Town Analysis Bulletin (BESHIRI, 2005) Canada's predominantly rural regions were visited by one half of Canadian visitors, 39% of US and 33% of overseas visitors. In Canada, as well as other industrialized countries, many rural regions that used to rely on resource-based economies such as forestry and agricultural and have turned into service-based economies such as tourism

to maintain resilience and employment levels (OECD, 1994; MCGILLIVRAY, 2000). When tourists visit rural areas they seek a wide variety of services such as accommodation, food and beverage, information, transportation, guided tours, local handicraft, local food, entertainment, adventure, etc. (LORDKIPANIDZE, 2002). All of these demands create economic opportunity for the locals living in those regions. Entrepreneurs in rural BC have been successful at fulfilling these increasing demands and offer a wide range of unique services and experiences to travellers (MCGILLIVRAY, 2000). Not only have operators in rural BC taken advantage of these business opportunities, in many cases they have assisted their communities in the successful transition from their previous resourced based industries (MCGILLIVRAY, 2000).

Rural residents have the tendency to be more in touch with nature and understand the value of environmental protection because their livelihood directly depends on it (HUDDART-KENNEDY *et al.*, 2009) since tourism products often rely on sensitive natural and cultural resources where the quality of the environment directly affects the quality of the visitors' experience (HUYBERS and BENNETT, 2002). Sustainability is therefore especially important to those in rural BC and operators in rural areas have recognized the importance of developing more sustainable business practices so that many future generations will be able to enjoy living and visiting their communities (VAUGEOIS *et al.*, 2009; MCGILLIVRAY, 2000).

Tourism has both positive and negative impacts. The integration of environmental, social, and economic sustainability helps minimize negative impacts, maximize positive impacts, and has proven to have numerous business benefits (VAUGEOIS *et al.*, 2009; WILLARD, 2005; SAVITZ, 2006). The current vision stated by the tourism industry in BC is

a British Columbia that is recognized internationally as a year-round tourism destination that provides exceptional *Super Natural* experiences in outstanding natural, cultural and urban settings. This vision also supports the enhancement of the social/cultural, environmental and economic well being of BC's destination communities (Council of Tourism Associations (COTA), 2007, p. 7).

Despite the interest in sustainability it is difficult for the industry to make strategic decisions for how to become more sustainable without a scientific definition of sustainability and a strategic method for planning towards it.

In 2009, the Fostering Innovation in Sustainable Tourism (FIST) project surveyed rural tourism operators in BC about what initiatives should be used to motivate tourism businesses to become more sustainable. The number one response (81%) was that incentive programmes should be developed (THUOT *et al.*, 2009). Realizing that little research has been done to identify the role incentives can play in making sustainable business

practices more attractive for small businesses in specific industries, this current article brings to light the theories behind incentives, behaviour change techniques and entrepreneur characteristics that could assist the design of incentive programs that would encourage tourism operators in rural BC to adopt sustainable business practices.

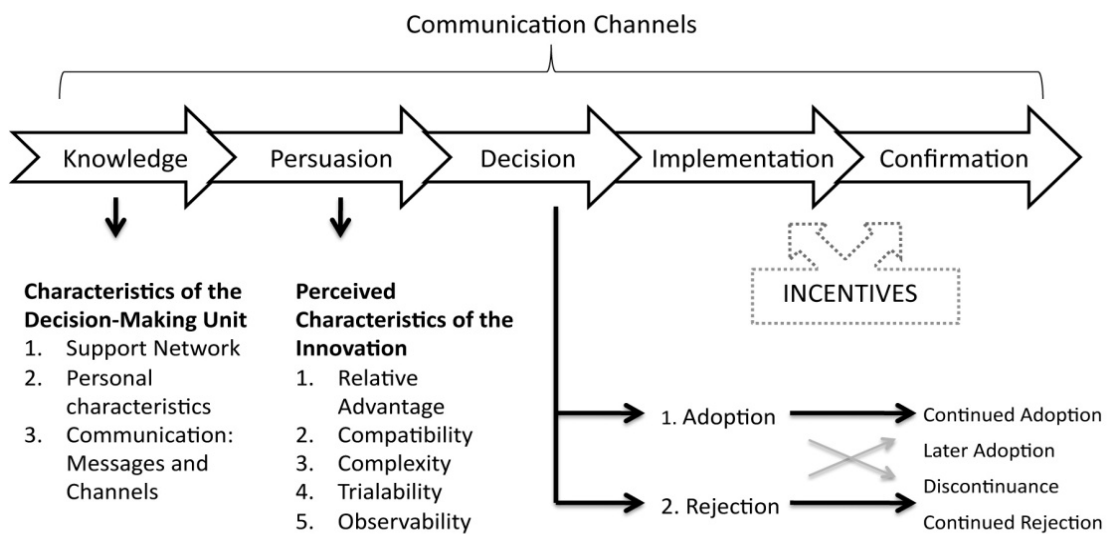
3. RURAL TOURISM OPERATORS IN BC

3.1 Operators as early adopters of sustainable business practices

Regarding sustainable tourism practices, the FIST project defined three key categories of operators in BC 1) those that have not adopted sustainable tourism practices (10%); 2) those that have adopted some practices (61%); and 3) those that are committed to sustainable tourism practices and have implemented them into many aspects of their business (27%) (THUOT *et al.*, 2009). The demand for incentives came particularly from the second and third categories, which the diffusion of innovations theory defines as innovators and early adopters.

According to the diffusion of innovations theory (ROGERS, 2003) and the change theory (PROCHASKA, Diclemente. and NORCROSS, 1993) there are five stages in the innovation-decision process that lead to the full adoption of a new practice (Figure 1). It is during the fourth (implementation) and fifth (confirmation) stages that the need for intervention is most evident. In these stages the individual has already made an informed decision but still searches for continuous motivation and reinforcement.

Figure 1 — A model of the five stages in the innovation-decision process



Origin: Rogers, 2003.

The rural tourism operators in BC have already passed the stages of knowledge and persuasion and are currently at the stages of decision, implementation and confirmation. During these stages incentives can help to facilitate the adoption and maintenance (ROGERS, 2003) of sustainable practices. For example, education about renewable energy options would increase the rate of adoption for an operator who has already decided to decrease his/her carbon footprint.

Also, when introducing an innovation to be adopted, aspects such its compatibility, complexity, trialability, and observability are important to integrate (ROGERS, 2003). Meaning, for instance, that when educating operators to adopt renewable energy options it should be relevant to their business size and operation in a rural setting, it should simple for them to understand how it would work, they should be able test the new technology before having to fully commit, and if they can observe other operators successfully using it they will be much more comfortable integrating it into their own business.

Those creating incentive programmes need to take these findings about early adopters into account. By understanding these findings, the adoption rate of the programme and continued adoption of sustainable business practices can be increased.

3.2 Operators as entrepreneurs

In the words of Michael Schaper, “entrepreneurs seek to bring about change and new opportunities, both for themselves and for the communities they belong to” (SCHAPER, 2002, p. 27), and are therefore often responsible for introducing innovation and adaption into society.

As entrepreneurs have a strong connection to personal values, their business decisions are often an extension of these (CARLSEN, *et al.*, 2001; NOOTEBOOM, 1994; VAUGEOIS *et al.*, 2009). If sustainability is important to the owner on a personal level it will transfer to their daily operating decisions. During the FIST project, 20 operators in BC were profiled and a similar study conducted in Western Australia identified that the main motivators for adopting sustainable business practices were (VAUGEOIS *et al.*, 2009; CARLSEN *et al.*, 2001):

- personal values;
- desire to minimize negative impacts on the environment and community;
- pursuing a greater purpose;
- desire to maintain a lifestyle for themselves and their family;
- desire to raise awareness and educate others (employees, guests, community);

- focus on quality/authenticity of services and product;
- awareness of the economical benefits of adopting sustainable practices.

In addition to the connection to personal values, entrepreneurs often hold other similar characteristics such as extraversion, agreeableness, need for achievement, risk taking, desire for independence, verbal internal communications, and multiple roles of workers (NOOTEBOOM, 1994; LORDKIPANIDZE, 2002, VAUGEOIS *et al.*, 2009). Their process of decision making, which is deeply influenced by the characteristics above mentioned, is based on past experience, personal values, intuition and tacit knowledge (HARPER, 1996; SHANE, 2003; NOOTEBOOM, 1994), making use of information informally gathered through networks, word-of-mouth, and local advisors (MADOR, 2000; NOOTEBOOM, 1994).

The informality of the process of sharing knowledge is also related to the practical learning style of entrepreneurs, who do not usually respond to highly technical explanations of new innovations, instead they would rather talk about it with other business owners who have experienced it (NOOTEBOOM, 1994; SHANE, 2003). This business network must be trusted and is most effective when given a personal touch (NOOTEBOOM, 1994).

Within networks, entrepreneurs learn by doing and learn by direct observation (KIRZNER, 1973). The attention to the modeling of behaviour is therefore particularly relevant to them. Learning from best practices through a network or community of similar businesses can build a knowledge base and collectively promote advancement within the industry (MOORE and MANRING, 2008).

As well as the formation of networks, the creation of the right environment for entrepreneurs to flourish is also very important. Government support, labour conditions, access to permits, technology, and cooperative regulations are just a few key aspects to fostering entrepreneurship (LORDKIPANIDZE *et al.*, 2005; NOOTEBOOM, 1994). This shows the importance key stakeholders in the BC tourism industry can play in the movement towards sustainability.

Identifying barriers that operators are faced with can assist in the determination of incentives to overcome these barriers. The FIST project in BC and similar studies in Western Australia and South East Cornwall, UK identified common barriers among operators such as (VAUGEOIS *et al.*, 2009; CARLSEN *et al.*, 2001; VERNON *et al.*, 2003):

- lack of money to invest;
- lack of clear understanding of terms such as eco, green, or sustainable;
- limited access to suppliers who sell sustainable or local products;

- lack of incentive programmes; other business priorities;
- lack of simple and clear information about sustainable practices;
- difficult to access expert advice in remote areas;
- lack of commitment to sustainability;
- restrictive legislation.

Breaking down these barriers through the use of incentives can be one strategy to increase the rate of adoption of sustainable business practices (GARDNER and STERN, 1996).

4. INCENTIVES

4.1 Incentives as extrinsic motivators

Efforts to change behaviour can be directed towards encouraging it or discouraging it, depending on whether the problem being addressed involves a deficit or an excess of the behaviour. “The application of behaviour change techniques assumes that behaviour is generally malleable and can be modified by providing appropriate experiences” (SARAFINO, 1996, p. 19). Incentives can enable ‘appropriate experiences’ to occur and, therefore, encourage behaviour change to happen.

A person’s behaviour in order to satisfy his/her needs is dependent upon external circumstances and the resources within themselves. Intrinsic motivations come from rewards inherent to a task or activity itself while extrinsic motivations come from outside of the performer, such as money or a threat of punishment (KREPS, 1997). The causal variables of human behaviour can be divided in three main categories:

- personal attitudes such as values, beliefs and norms;
- personal capabilities such as knowledge and skills, as well as resources such as time and money;
- contextual forces such as interpersonal influences, community expectations, advertising, governmental regulations, legal and institutional factors, monetary incentives, physical difficulties, constraints provided by technology and the built environment, availability of public policies, etc. (STERN, 2000).

Behaviour change interventions can be based on the exploration of these intrinsic or extrinsic motivations. Interventions, however, do little or nothing if they do not remove important barriers or limiting conditions to change (FISHBEIN and YZER, 2003). Since different individuals face different barriers and the impediments are often multiple, little happens until the right combination of intervention types, which should mix intrinsic and extrinsic motivators, is found (STERN, 2000).

Keeping in mind that entrepreneurs hold a strong need for autonomy, behaviour change strategies exclusively based on the control of behaviour by external motivators can undermine individual's autonomy and have been shown to have poor maintenance once the external factors are withdrawn (YOUNG, 1993). If the external motivator is viewed as supportive and in line with intrinsic motivations, providing choice and keeping ones autonomy, it can be a stronger enabler for behaviour change (HOMLUND, 2009). It is vital then to provide choice and acknowledge prior experience to enhance the sense of self-initiation of operators, in order to result in effective outcomes of the desired behaviour change (ZUCKERMAN, LARRANCE, PORAC and BLANCK, 1980).

4.2 Incentive theory and types

The basic concept behind incentive theory is creating a goal or vision to be reached and rewarded (ARIELY, BRACHA and MEIER, 2007). The value people ascribe to goals, the expectations about attaining them and the mechanisms that keep people moving towards the selected goals influence not only the initial change in behaviour but the continuance of the behaviour (LOCKE *et al.*, 1981).

Incentives should enhance individuals' confidence in achieving their goals, adding to the feeling of capacity (BANDURA, 1977). Incentives can do that either by empowering individuals with the necessary knowledge on how to attain the goal or by providing the physical means to accomplish of the task (DECI and RYAN, 2000). Considering this, an incentive should meet the individual businesses where they are in the adoption process and assist them in a continuous improvement process by rewarding different milestones, giving them direction, and a sense of achievement.

There are many types of incentives and a variety of ways to categorise them. Four main categories were identified for this article, which are:

→ *Information*: Information based initiatives such as eco-audits that give operators a measure of where they are currently in such areas as energy and water usage and carbon footprints allow operators to better measure impacts, manage costs, and increase profitability through eco-efficiencies (ALLEN, 2001). As well, programmes that show the effects of products and the environmental performance of businesses

- and organisations have been proven to be incentives for the enhancement of environmental practices (WILKIE, 2005).
- Reporting is another form of information based incentives (WILKIE, 2005). Reporting can document economic, social and environmental performance, health and safety, employee and community relations (MOORE, SMITH and NEWSOME 2003; WILKIE 2005). The benefits of reporting include enhancing the organisation's reputation and therefore the bottom line (WILKIE, 2005; PALMER and VAN DER VORST, 1997). Most reporting initiatives however, lack standards on how to report and, without a third party verification, can be viewed as un-reputable (WILKIE, 2005).
 - *Voluntary agreements*: Voluntary agreements and initiatives had a rapid increase in the 1990s and up to the early part of the 2000s voluntary initiatives had involved mainly larger organisations (ALLEN, 2001). Voluntary agreements encourage the targeted group to go beyond compliance of regulations and often recognize the importance of reward and recognition (WILKIE, 2005).
 - Voluntary agreements can be between government and industry or initiated solely by industry at the federal, provincial or municipal level, and can be used to create a registry of those participating. Successful voluntary agreements need to be negotiated with transparency and multi-stakeholder involvement (ALLEN, 2001). Successful agreements also need a third party evaluation process to ensure credibility is maintained for all involved (ALLEN, 2001). Positive outcomes of voluntary initiatives are often due to the underlying economic benefits associated with enhanced reputation and marketing opportunities, the flexibility to select cost effective measures that fit the individual business, and the reduction of costs associated with compliance and enforcement of regulations (WILKIE, 2005).
 - Labelling is a popular form of voluntary agreement incentive that can provide a variety of benefits. Labelling and certifications are meant to standardize environmental claims and provide consumers with credible and reliable information (TOTH, 2000; WILKIE, 2005). Some of the benefits of labelling and certifications are the ability for businesses to charge higher prices, develop niche markets, expand market share and receive environmental stewardship rewards (WILKIE, 2005). Like other voluntary initiatives multiple stakeholders need to be involved and consumer awareness is needed for the full potential of labels and certification programmes in order to capitalize on the benefits of the incentive (WILKIE, 2005).
 - *Economic and market based*: Economic and market based incentives involve operating through market processes or use financial instruments to motivate desired levels of performance or behaviour (WILKIE, 2005). Some examples of economic and market

based incentives are charge systems, deposit-refund systems and market creation such as carbon cap and trade initiatives (ALLEN, 2001; WILKIE, 2005). Economic incentives can be either positive, such as subsidies and grants, or negative such as taxes and levies. Positive economic incentives have been shown to encourage behaviour change; however they can also be expensive for governments and are often lengthy to implement (WILKIE, 2005).

→ *Legislation/Regulation*: Environmental regulations and legislation were used as the first tool implemented for environmental issues in the late 1960s (ALLEN, 2001). Examples of legislation and regulation incentives are permit systems, polluter pay systems and eco-taxes. These regulations form the foundation for many environmental management strategies. The restructuring of environmental policy has been ongoing since the beginning of the century; however, it is felt that such legislation can stifle creativity and innovation due to its often restrictive nature (ALLEN, 2001; WILKIE, 2005). There has also been much concern that too often eco-taxes are used for government general revenue rather than fed back into environmental management (ALLEN, 2001).

→ An effective regulation or policy can have major impacts on businesses including positively or negatively affecting the bottom line due to costs for licenses, permits and time commitment (WILKIE, 2005).

The 'correct' policy tool depends heavily on national cultures, public attitudes about environmental threats, legislative and administrative structures, and other characteristics that can vary from country to country (ALLEN, 2001, p. 149).

In this sense legislative incentives must take into account its impact on the targeted industry and align with a long-term vision of success.

Considering the variety of incentives available within the categories information based, voluntary, economic and regulatory there are endless options of incentives to be catered to support small businesses in their journey towards sustainability (WILKIE, 2005; ALLEN, 2001).

5. BC RURAL TOURISM OPERATORS' OPINION ON INCENTIVES

A dialogue session took place during the 2010 BC Rural Tourism Conference held in Kamloops, BC brought thirty-four operators and stakeholders together to assess potential incentives for motivating their behaviour change. Discussions regarding the importance of sustainability revealed personal values, future generations and survival as the main motivations behind participants' commitment to sustainable business practices. Information and voluntary based incentives were the most frequently discussed mainly in terms of education, peer support and certification. Common success aspects for incentives and themes brought up throughout the entirety of the session were that incentives must be simple, ensure there is little 'red tape', cater to realities of rural areas, allow for flexibility both for different types of businesses and for the levels of sustainability being reached, be affordable, incorporate face-to-face communication, and build off of and use existing mechanisms, programmes and infrastructure already in place within the industry.

Key findings included the importance of intrinsic motivations for change, the understanding of the adoption process for communicating to operators the recognition that entrepreneurial decision making is highly dependent on a strong support network and a hands-on learning approach, and that the removal of barriers can be used to build incentives.

For the most part, education was a large focus of the discussion. Not only education for operators about defining sustainability and setting standards, but education back to customers and for students was of shared interest for the participants. There were a number of references to the importance of customer education around sustainability so that they better understand the initiatives taken by the business, begin demanding more sustainable tourism and make changes in their own lives.

Taking advantage of partnerships with higher educational institutes was also a topic of discussion for assistance from students and research. Bringing expertise to rural areas in order to build the capacity of operators through student placements and mentorship programmes where mentors are identified, trained and rewarded for educating other operators was another option mentioned.

Voluntary based incentives were another frequently discussed desire for the participants. Certification to identify and recognize businesses making efforts toward sustainability was also identified as an incentive for small operators. The aspects of a certification programme that operators acknowledged as important were:

- applicability for the rural context;
- support for auditing in remote regions;

- flexibility and applicability for a variety of businesses;
- need to meet businesses where they are on the sustainability journey — it should be a program which continuously guides them in the right direction;
- affordability;
- local and international recognition;
- need to contain a clear vision for the industry.

Economic incentives that were found to be interesting to participants were tax breaks on property for more responsible social and environmental practices, tax reliefs for the development of cooperatives and partnerships, grants for job creation and environmental upgrades, subsidies, cash back programs to encourage recycling and retrofitting, and financial penalties for non-compliance with environmental and social standards.

While regulatory and legislative incentives were the least referred to, it was still identified as an incentive by several participants. It was mentioned that most current regulations are targeted towards more urban areas and that regulations must be applicable to the rural context with an understanding of their reality. The coupling of economic incentives to help with movement towards regulation was also suggested as a possible initiative.

Operators repeatedly stressed the need for programmes to cater to the reality of rural areas, for example, many initiatives which could be considered low hanging fruit in an urban setting are not the same for rural areas. Examples might include composting, public transportation and recycling. As most rural operators present at the dialogue covered a span of businesses such as accommodations, adventure and attractions, it was identified that programmes must be flexible in order to accommodate these differences. Affordability was another aspect operators found important to the application of any incentive programme made. There are many existing programmes, associations, mechanisms and infrastructure to support rural tourism which can be built upon.

The operators were enthusiastic about participating in and forming peer networks for sharing best practices, conducting audits, spreading information, sharing resources and further enhancing their negotiating power. Incentives such as government support, technology and cooperative regulations can also play an extremely important complementary role to peer support in creating the right conditions for nurturing these small businesses particularly in rural areas (LORDKIPANIDZE *et al.*, 2005; NOOTEBOOM, 1994).

While incentives are traditionally offered as a reward, they can also come in the form of the removal of a barrier. When developing an incentive programme it is important to assess whether it is realistic to overcome the identified barriers. In the context of change

towards the adoption of sustainable practices, the general main barriers are (VAUGEOIS *et al.*, 2009; CARLSEN *et al.*, 2001; VERNON *et al.*, 2003):

- the lack of clear understanding of the terms eco, green, or sustainable;
- limited access to suppliers who sell sustainable or local products;
- other business priorities to worry about;
- lack of simple and clear information about sustainable practices;
- being too remote to access expert advice.

This reasoning leads to the conclusion that an incentive program must offer a grouping of complementary actions that if implemented would enable the overcoming of such barriers.

6. INCENTING SUSTAINABLE BUSINESS PRACTICES

Multiple incentives not only can create lasting behaviour change, but are also the most desired by operators. Information incentives should utilize operator networks or peer support groups to diffuse the knowledge of sustainability throughout the entire industry.

Incentives need to be strategic in their purpose and be part of a holistic approach customized for rural operators to ensure that they are contributing to the progress of the BC rural tourism industry towards sustainability. These are some key considerations that need to be incorporated into whatever incentives are used to motivate operators towards sustainability:

- Keep the incentive simple.
- Ensure there is little 'red tape' and that the participation process is easy to follow and initiate.
- Understand the uniqueness and realities of rural areas.
- Allow for flexibility both for different types of businesses and for the levels of sustainability being reached.
- Ensure the incentive is affordable for all that want to participate.
- Communicate throughout the process including face-to-face meetings in a timely manner.
- Build off of and use existing mechanisms, programmes, and infrastructure already in place within the industry such as the Green your Business: Toolkit for Tourism Operators, annual conferences, partnerships with universities, etc.

Information incentives should utilize operator networks or peer support groups to continue the teaching and to diffuse the knowledge of sustainability throughout the entire industry such as the BC Sustainability Collective mentioned during the dialogue — six businesses with shared visions and similar customer base working together to have a greater purchasing power, share best practices, share seasonal employees, challenge each other to continually do better and conduct peer audits. The identification and continuous support of community champions, mentorships and school partnerships cater to the learning style of entrepreneurs and help diffuse information within remote, rural areas.

Voluntary incentives should ensure any certification programme incorporates a vision of sustainability so that the participants of the programme are moving in the right direction and it is measuring continuous improvement towards sustainability not simply participation levels. Also ensure that it is a component of a larger plan towards sustainability not the final answer in itself. Also, according to operators, certification programmes need to ensure there is:

- Flexibility of criteria — a large breadth of criteria to incorporate different types of businesses.
- Credibility of criteria — rigour necessary for industry buy-in.
- National and international recognition.
- Different levels that encourage continual improvement.
- Ongoing monitoring to guarantee actual improvement is happening.

Financial incentives need to be for larger capital investments such as new energy technology, but matched with information to assist in the decision making of what types of investment will be most beneficial in the long term and how to access the necessary expertise and technology. For example, offering more rebates for installation of solar panels or retrofitting buildings.

Regulations are not highly utilized in a service based industry and although when combined with other types of incentives they can be effective in creating change, they are also not found to stimulate innovation and surpassing minimum requirements. Regulation incentives were also not a main topic of discussion during the dialogue as a desired type of incentive with operators and industry stakeholders and therefore, are not included in the recommendations.

7. CONCLUSION

The industry can support sustainable rural tourism operators through incentives. From a theoretical perspective, incentives can motivate lasting behaviour change when carefully designed to enable capacity building and to provide the physical means necessary for the adoption and maintenance of the desired attitude and action (COVINGTON and MÜELLER, 2001). From a practical perspective, rural tourism operators in BC understand this potential and therefore believe incentives can truly support their move towards sustainability. Rural tourism operators in BC are currently given the option to participate in incentive programmes offered by provincial and federal governments, however they still do not feel properly supported. Therefore, the logical conclusion is that incentives need to be strategic in their purpose and context sensitive in their design as to ensure that they are contributing to the progress of the BC rural tourism industry towards sustainability.

Incentives can be a powerful driver for change as it enhances the motivation to reach a specific goal and/or provide the means to enable such achievement. In the context of sustainable development, the use of incentives to support the early adopters who are leading the move towards sustainability is a strategic way to increase the rate and continuance of the adoption (LOCKE *et al.*, 1981; ROGERS, 2003). The use of incentives transcends rewarding and punishing, it adds to the value people ascribe to the desired goals, intensifies the expectations about attaining them, creates the mechanisms that keep people moving and develops the structures that allow barriers to be overcome (KREPS, 1997; ARIELY, BRACHA and MEIER, 2007; COVINGTON and MÜELLER, 2001; STERN, 1976).

A combination of incentives should support the recognition of positive personal attitudes, enhance personal capabilities and assist in dealing with contextual forces such as poor infrastructure or lack of access to capital (STERN *et al.*, 1995). The need for addressing different barriers at the same time is what calls for complementary incentives within the same programme. Even though the barriers may vary according to the type of business and its level of adoption of sustainable business practices, the idea of cooperating through partnerships, clusters and networks as a vital source of support is shared by rural tourism operators in BC and, therefore, should be supported by education and voluntary agreements complimented by economic and legislative incentives.

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