

The Potential of Rural Tourism Development in the Azores Islands from the Perspective of Public Administration and Decision-Makers

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Abstract: Regional planning policies are an essential instrument for allowing the local inhabitants' necessary life quality standards. Those planning tools support future living prosperity in that territory, encouraging the ending of spatial and social inequalities as an incentive instrument for the so-desired sustainable development. Thereby, this paper aims to analyze the Public Administration and Decision-Makers' opinions concerning the Potential of Rrural Tourism Development in the Azores Islands. We used an exploratory methodology, which

enabled to assess those perceptions. Consequently, it was possible to understand that the public administration's role in fostering and coordinating rural tourism is pivotal for this activity's continued sustained growth. Besides, throughout this study, it was possible to understand that regional development has been decisive and has decidedly influenced the local population. The research also recognizes that are many advantages in this typology of tourism for local communities - i.e., job creation or stimulating the local economy, are just a few examples.

Keywords: Azores Islands; Public Administration; Sustainable Development; Sustainable Tourism; Territorial Governance and Management.

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1 Introduction

Rural and nature-based tourism can sum substantially to the sustainable development and growth of low-density areas or rural areas [1-8].

Consequently, it should be emphasized that these regions hold numerous difficulties associated with economic decay, a substantial rise in unemployment, populational exodus as emigration, unfavorable consequences of restructuring agriculture, or the decline of cultural identity, are just a few examples [8-13].

Besides, several scholars state that entrepreneurship, associated with small and medium-sized businesses, is one way to achieve sustainable development in peripheral regions like the Southern European countries - once it permits improving employment and incoming [2-4,11-15]. Moreover, the preliminary results of an investigation that addressed the difference of entrepreneurship between regions of distinct sizes revealed that outside and local access to the Gross Regional Product (or accessibility to markets) has a meaningful influence on an innovative company's entry and exit [13].

In fact, this result is damaging the primary and secondary sectors, while this impact is positive for the services sector [13].

Thereby, this typology of tourism is an activity that can be a catalyst for the territories towards sustainable development. So, it should be highly considered by the main actors and decision-makers.

Thus, and considering the specific features presented by the Azores Islands' ultra-peripheral territory, this paper aims to understand the perceptions of the Public Administration and Decision-Makers about the potential of rural tourism development in the Azores Archipelago.

Accordingly, it is foreseen that this investigation fulfills a significant gap in thematic literature. In this regard, the authors used exploratory tools about the Azores Public Administration and Decision-Makers' perceptions of the potential of rural tourism development in the Azores Islands.

2 Regional Development and Rural Tourism: A Short Framework

If we look to the UNWTO (United Nations World Tourism Organisation) [16] definition of tourism, we found that is "(...) the activities of persons traveling and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes." Therefore, based on this description, three components should be introduced: (i) transportation outside, (ii) reason for traveling, and (iii) the maximum number of days stayed [17]. In this regard, tourism development improves tourism facilities or activities to attract visitors, including the sustainability of these activities to benefit tourists, community members, and tourism. Thus, the resilience of a tourism destination should be advanced [18].

The above mentioned are just a few examples of several other tourism typologies, which are more connected with rural tourism activity. Accordingly, considering this study field, agritourism, ecotourism, nature-based tourism, or wine tourism deserve a closer look. Contextually, agritourism can be defined as an activity, which inspires travelers to visit farms [19]. Various forms of agritourism exist, especially farm, farm-based and rural tourism [20]. Here, Sonnino [21] describes an agricultural producer's and their family's hospitality actions that connect to any form of farming. In this sense, Barbieri and Mshenga [22] recognized agritourism as the operation generated to draw visitors to an operative farm. In some cases, these visitors are from urban areas rather than rural areas where the farm is located [18]. Most of these individuals farm as substance farming. Thus, it is excluded commercial farming, which is on a broader scale. Examples of agritourism include wine tourism, farmers' markets, or fruit picking - among several other examples.

Ecotourism intends to produce knowledge, generate capital for conservation, improve the attention of cultures, and provide better regional communities, economic inclusion, and political influence [22-25]. This type of tourism induces tourists to a region that includes the fauna, flora, and culture. Here, we also have *geotourism*, a tourism type that recognizes the physical environment cultivating conservation through education and other procedures – i.e. geo-trails, protected area visits, or guided tours, among many others [26-28].

Wine tourism encompasses more than simply the consumption of wine [18]. Scholars as Mitchell and Li [24] differentiated among primary wine tourism for wine tasting and procurement, secondary or ‘peripheral’ wine tourism motivations - i.e., festivals or gastronomy. Moreover, wine consumption near the area where the wine was made is known as wine tourism or enotourism [18].

3 Methodology

In order to perform this research objective, multiple procedures and methods were used, as direct and indirect analysis methods. Thereby, the methodological structure was divided into four primary levels:

- (i) interviews design;
- (ii) data collection;
- (iii) case study analysis;
- (iv) results interpretation and, discussion and conclusions.

The last level gathers on Public Administration and Decision-Makers' thoughts about the potential of rural tourism development in the Azores Islands. Therefore, it was reasonable to suggest some guidelines and recommendations for regional tourism planning.

3.1 Design and Implementation of the Interviews

The interview was created, recognizing the need for an online modality. More specifically, we conducted a web interview using Google Forms. Even if we know that online interviews are susceptible to inclinations in the results of an empirical study, this typology of the interview was chosen due to social distancing in the actual pandemic crisis scenario conditions.

More than forty participants formed the sample group. The group was formed by the Azores Public

Administration and Decision-Makers, which are the most suitable participants for this study typology. Also, the web interviews were conducted between May and December of 2020. The sample group data are shown in Table 1.

Table 1: Sample group data.

	Variables	%
Gender		
Valid	Female	44,4
	Male	55,6
	Total	100,0%
Age Group		
Valid	18-35	37,8%
	36-50	44,4%
	51-65	17,8%
	Total	100,0%

Considering the study scope, the authors selected concise and direct questions about the potential of rural tourism development perceptions in the Azores Archipelago.

After data collection, the authors used the Statistical Package for the Social Sciences (SPSS) for data analysis since it was possible to extract the most straightforward direct answers from the data.

4 Study Results

Two closed-up questions (Table 2 and, Table 3) were conducted to evaluate the respondents' rural tourism experiences. More than fifty percent of the Decision-makers and Public Administrators claimed that they had previously had some rural tourism experience in the Azores Islands. Also, most of those who had a rural tourism experience in the Azores Islands state that this experience was "Very Good" (Table 2).

Table 2: Closed-up question about rural tourism experience in the Azores.

Question a: Have you ever had a Rural Tourism experience in the Azores?			
		Frequency	%
Valid	Yes	25	55,6
	No	19	42,2
	Total	44	97,8
Missing	Do not know / Do not answer	1	2,2
Question a.i: If you answered yes to the previous question, how would you rate it?			
		Frequency	%
Valid	Excellent	5	11,1
	Very Good	15	33,3
	Good	4	8,9

	Satisfactory	1	2,2
	Total	25	55,6
Missing	-	20	44,4

In Table 3, it is conceivable to recognize that the majority of the respondents consider that rural tourism has improved in the Azores Islands' in the last decade (more than 80%). Moreover, the participants also believe that regional development has been positive and has positively influenced the local population (88,9%).

Table 3: Closed-up question about how rural tourism has increased in the Azores Islands'.

Question b: Do you believe that rural tourism has increased in the Azores Islands' in the last decade from a comparative perspective?			
		Frequency	Percent
Valid	Yes	37	82,2
	No	4	8,9
	Total	41	91,1
Missing	Do not know / Do not answer	4	8,9
Question b.i: From a comparative perspective, with the last decade, do you believe that regional development was positive and created positive impacts on the local population?			
		Frequency	Percent
Valid	Yes	40	88,9
	No	1	2,2
	Total	41	91,1
	Do not know / Do not answer	4	8,9

Furthermore, applying a Categorical Principal Component Analysis, with Varimax rotation and Kaiser Normalization to a set of 29 items on a scale of 1 (totally disagree) to 5 (totally agree), seven principal components (dimensions) were extracted. The percentage of variance accounted for (PVAF) across these components is 79,517% of the data's total variance. So, Table 4 shows the loadings regarding each element after the rotation analysis and the Cronbach's alpha coefficient, the eigenvalues, and the percentage of variance explained by each component. All components (dimensions) have eigenvalues greater than unity. Moreover, six principal components have satisfactory internal

consistency, while the seventh component has an acceptable inner surface.

The items A20, A21, A17, A12, A11, A18 and A8, are associated with the first component designated "*Role of public administration in fostering and coordinating rural tourism.*"

Items A26, A3 and A28 are the most critical items for the second component. Thereby, this component was named "*Impacts of Rural Tourism on regional development.*"

Items A16, A5, A7, A15, A6 and A19 are correlated with the third component, that was called "*Incentives for Rural Tourism.*"

Items A23, A22, A24, A25 and A2 are the most critical items for the fourth component, and consequently, this component was named "*Marketing, quality, and adequacy of infrastructure to Rural Tourism.*"

The fifth component exhibits the strongest correlations with items A9, A10 and A4, and for this reason, this component can be called "*Promotion of rural tourism in a sustainable manner.*"

Items A14, A13 and A1 are associated with the sixth component, was entitled "*Interaction between Public Administration and the community.*"

The items A27 and A29 are the most relevant items for the seventh component; therefore, this component was called "*Training of human resources in the area of Rural Tourism and telephone network coverage in the region.*"

Thus, the application of the CatPCA made it possible to reduce the dimensionality of the data and identify four critical factors within the scope of a bet on the development of Rural Tourism.

Table 4: Rotated component loadings of the 7-component solution.

Items	Component*						
	1	2	3	4	5	6	7
A20 There is good communication	.987						

and coordination between public administration and entrepreneurs in the area of regional rural tourism.							
A21 The regional public administration supports and / or provides infrastructures for thematic meetings inherent to the rural tourism.	.987						
A17 There is good coordination between public administration, regional rural tourism entrepreneurs and the community.	.985						
A12 There is good strategic planning in the region.	.983						
A11 Local politicians are familiar with rural areas, their cultural diversity and are willing to listen to public opinion.	.666						
A18 Public participation is evident in the Region.	.620						
A8 The regional public administration fosters rural tourism.	- .728						
A26 There is good internet coverage in the region.		.914					
A3. The activity related to rural tourism is monetarily compensatory.		.836					
A28 The local population feels the impacts of regional development and is aware of the contribution of regional power to this success.		-.920					
A16 Communities encourage the creation of			.811				

young entrepreneurs.							
A5 There is a training plan inherent to the rural tourism activity.			.749				
A7 There is a strong link between the rural tourism and stimulating the growth of the regional economy.			.720				
A15 Regional Public Administration fosters the creation of young entrepreneurs.			.629				
A6 The regional economic structure provides support and creates opportunities to implement small and medium-sized rural tourism companies.			.561				
A19 The community likes to get involved with tourists from rural tourism.			.456				
A23 The regional road infrastructures is of high quality.				.891			
A22 Regional accessibility infrastructures are adequate.				.744			
A24 The aerial infrastructures are good.				.744			
A25 Maritime infrastructures are of high quality.				.507			
A2. The marketing around rural tourism activities is important.				-.697			
A.9 The regional government uses public funds to invest in rural communities.					.829		
A10 Local authorities use public funds to invest in rural communities.					.775		

A4 Rural tourism in the Azores Autonomous Region follows sustainability standards.					.692		
A14 The community understands and supports entrepreneurs, as well as the rural tourism activity.					.803		
A13 The community understands and supports the rural tourism.					.650		
A1. Public administration plays a key role in the success of the rural tourism.					-	.591	
A27 There is good telephone network coverage in the Region.							.790
A29 There is a lack of human resources with specific training in the field of rural tourism.							.775
Cronbach's Alpha	0.847	0.792	0.786	0.758	0.740	0.729	0.551
Eigenvalue (VAF)	5.379	3.718	3.639	3.267	2.699	2.520	1.839
Percentage accounted (PVAf)	18.547	12.822	12.547	11.265	9.308	8.689	6.340

*Variable Principal Normalization. Rotation Method: Varimax with Kaiser Normalization

Besides, and based on the decisive factors identified by Castanho *et al.* [14,15] for regional success in peripheral territories, the participants were asked to discuss their relevance to each of those factors for the success of the ultra-peripheral region of the Azores (Table 5). Concerning the Azores' Rural Tourism activity's success, the decision-makers and public administration attribute greater weight to the following factors: "Protection and conservation of Nature" and "Greater commitment and political transparency."

Table 5: The pivotal factors for the success of the ultra-peripheral territory of the Azores, in the opinion of the participants.

Factors for the Success of Rural Tourism in the Azores Region	Mode	P75
i. Connectivity - Movement and displacements (between urban centers, islands, etc.)	3	4

ii. Strengthening of the Regional Territorial Strategy	3	4
iii. Avoid duplication of infrastructure in the Region	3	4
iv. Sense of Belonging of the Residents	3	3.5
v. Offer Diversification	3	4
vi. Ease of Access to Regional Funds	3	4
vii. Strengthening the Economy	3	4
viii. Standards of life quality	3	4
ix. Magnet for Young and Talented People	3	4
x. Definition of common objectives and strategies (between public administration-entrepreneurs-population)	3	4
xi. Greater political commitment and transparency	4	4
xii. Protection and conservation of Nature	4	4
xiii. Public participation	3	4
xiv. Marketing and advertisement	3	4
xv. Other	1	3

5 Discussion

Public Administration in the Azores Islands still has a relevant role in the coordination of rural tourism development, still influences how regional tourism impacts regional development, and still influences the construction of infrastructures that allow this area to develop.

Despite all this influence, the community still is not aware of the impact of rural tourism in the development of the Azores and the influence of the regional government in this success. However, entrepreneurs consider the investment in rural tourism a satisfactory activity regarding the monetary return.

It is widely recognized that there is still a lack of training in human resources to comply with the needs and success of rural tourism, and, increasingly, rural communities support new activities related to rural tourism.

A positive point that is enhanced is that infrastructures (roads, aerial and maritime) allow good access to areas where rural tourism is implemented.

Curiously, marketing activities are not considered essential, probably because we deal with a particular market segment that uses singular disclosure channels.

Sustainability is, as globally considered, highly relevant to rural communities, rural tourism, and tourism in general. This fundamental subject is ruled by local authorities and the Azorean Government regarding medium and long-term investments and development plans. However, rural tourism success' is not considered an achievement of public administration but a symbiotic relation between rural communities and entrepreneurs that work together to

develop the area and allow all participants to withdraw economic and social benefits from rural tourism activities.

6 Conclusions

In fact, this study is one of the first to investigate public administration and decision-makers opinions about the potential of rural tourism growth in the Azores Islands from an academic viewpoint. It is plausible to understand that the vast majority consider that rural tourism has increased in the Azores in the last ten years. Also, regional development has been decisive and has positively influenced the local residents.

If we look at the perception of the decision-makers and public administrators (the respondents), the main benefits of this type of tourism for the Region are: (i) job creation; (ii) the attraction of new tourists; (iii) the development of trade, services, and activities; and (iv) strengthening of the regional economy.

Besides, nature tourism, ecotourism, and adventure tourism, inspired by sustainability principles, can be decisive products in this model. These are pivotal ideas that underlie the regional plans and reemphasize the relevance of sustainability for constant development and valuation.

In this regard, the design of future regional plans that endeavor at sustainable development needs clearly to consider the factors identified in this research regarding the rural tourism development in the Azores Islands.

Contribution of individual authors to the creation of a scientific article (ghostwriting policy)

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