



# A conceptual coalescence: Towards Luxury Community-based Tourism

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## Abstract

Community-based tourism and boutique hotels (BHs) markets are growing and the luxury tourism market is evolving and becoming more experience-based and environmentally and socially aware. Luxury tourists still desire a luxury context when travelling. Against such a backdrop, this article attempts to advance a new type of tourism, namely, luxury community-based tourism (LCBT), a new concept that embraces and infuses luxury into community-based tourism. This article is based on a desktop research which made use of journal articles and other available resources on the internet. On the basis of extant literature, issues related to new tourism trends, luxury tourism, CBT and BH are analysed in building towards a conceptual LCBT. The new LCBT which is herein presented is the major contribution to knowledge of this article. This new form of tourism is based also on CBT principles but is expected to operate within a luxury milieu while relying on new progressive entrepreneurship with a social orientation but exploits new and emerging tourism market trends with a propensity for luxury and community-based experiences. It is locally and independently owned with one of its foci as implementing some redistributive measures while using local resources but delivering exclusivity, experience and enjoyment. While this article specifically focuses on the accommodation sector linked to BHs, the same principles and ideas can be applied, with judicious adjustments, to all tourism sub-sectors such as transport, travel operators and so on. The article's ambition is to contribute to tourism literature related to enhancing the role of tourism in inducing greater positive community-centric social impacts.

**Keywords:** tourism; community-based tourism; boutique hotels; luxury tourism

## Introduction

The growth of tourism over the decades has been phenomenal. New alternative forms and sub-sectors are emerging. Such trends open new vistas to establish new (dis)continuities, frameworks and models in the discipline of tourism to embellish its body and corpus of knowledge. The growth in luxury tourism, anchored on experiential yearnings by tourists and that of Community-based tourism, anchored on the need to empower and emancipate communities, open those vistas to postulate new configurations and formations through conceptual coalescences.

Tourism is now one of the well-recognised economic sectors which is fostering and supporting economic growth and development worldwide (Stankova & Kaleichev, 2013:50). It also has



produced negative impacts and created challenges, given the vast demands for water and energy as well as waste disposal with negative effects on both communities and the environment. (Passafaro, *et al.*, 2015:225). All forms of tourism can impact negatively on humans and the environment if practised in massification modes purely for money. These negative effects need to be taken into consideration when promoting tourism as a tool to address other societal problems such as unemployment and poverty. This implies the need to mediate and reconcile these matters and to infuse new logics and technologies that work in the best interests of both humans and the environment for the continued enjoyment of the same touristic artefacts and experiences with sustainability in mind for posterity. Conventional/mass tourism can have negative impacts related to use, exploitation and globalization (Singh, Timothy & Dowling, 2003:5).

International tourism organisations recognise the need to implement policies directed at sustainable tourism development which include a 'quadruple bottom line' of environmental, social, economic and climate awareness implying that the search for alternatives should be pursued to avoid the negative impacts of "traditional" or "mass" tourism" forms in their variety (Passafaro, *et al.*, 2015:225). In response to the realisation of these negative issues, new forms of alternative tourism emerged during the 1970s (Luo, Brown & Huang 2015:292; Fennell 2006:4) such as soft tourism, small-scale tourism, green tourism and nature tourism (Loizos-Christou, 2012: 1). Alternative tourism considers natural, social and community issues that have fewer negative impacts compared to conventional tourism (see Loizos-Christou, 2012:1). Conservation and preservation of the common habitat and the environment should invoke appropriate responses in those who care for life on earth that ensure its continuity. A holistic, 360-degree approach to tourism development is imperative.

Community-Based Tourism (CBT) also emerged to counteract the negative impacts of conventional/mass tourism by promoting a different tourism approach (López Guzmán, Sánchez-Cañizares & Pavón 2011:73). At the same time, new forms of lodging type sprouted in the last decade in the accommodation sub-sector worldwide (Khosravi, Malek & Ekiz, 2014:26). These new types of lodgings reflect the potential of innovation and limitless possibilities to finding new alternatives through our own imaginings.

Together with the recognition of problems of conventional/mass tourism, new trends on tourism demand side have emerged. Fiorello and Bo (2012:2) observe that the growth of the sector which in turn is spurring rapid economic growth in some countries has also given birth to new forms of tourism at the back of the rise in environmental awareness. Fiorello and Bo (2012:2) also note that tourists are more aware of the needs and values of local communities while attuning their own needs for quality in residence and reception from their hosts. This implies that entrepreneurs in the industry should provide products in consonance with the notion of environmental friendly offerings of high quality to meet the needs of their clientele which is environmentally aware.

Luxury tourism is on moving on a positive upward trend and it "is growing faster than overall travel" with outbound luxury trips expected to grow by 6.2% against 4.8% for overall travel in the next decade (Dykins, 2016:5). The luxury tourism market is also in a state of flux and constant change. These shifts reflect enchantment with experience over things; with an equal shift in values from the material to the experiential exemplified by purchases of experiences rather than luxury items (Dykins, 2016:15). In this context Boutique Hotels (BHs) also emerged. Boutique hotels "espoused the groundbreaking concept of affordable luxury in a stylish and sophisticated environment" (Campus travel, n.d.). In this context, the emergence of new alternative types of tourism should be seen positively as counteracting the challenges inherent in conventional/mass tourism. It is necessary to continue to investigate new models of tourism that can lead to a more sustainable, redistributive, just and locally controlled and contextualised tourism sector which is environmentally-aware as it is experiential.



From a tourist perspective, it has been mentioned that individual personality is at the heart of the complexity of how tourists make their choices (Passafaro, *et al.*, 2015:228). Investigating these matters can contribute to linking the tourism market to new models of tourism that are in line with those personalities in order to advance a sustainable and just tourism development approach undergirded by those personality profiles. This article attempts to combine two contrasting types of tourism, CBT and luxury tourism (specifically scaffolding on boutique hotels within the luxury tourism milieu). This is done by proposing the new concept of Luxury Community-Based Tourism (LCBT) to represent two rivers that come to some confluence. In this context, the article intends to contribute to the alternative tourism development literature in general and CBT in particular. The article also contributes to the luxury tourism literature by specifically looking at how luxury tourism could be transformed to meet the current needs for sustainability and justice in tourism. After this introduction, a literature review covering topics related to new tourism trends, luxury tourism, CBT and BH is presented. Thereafter, the article posits the new concept of LCBT. This is the first attempt at elaborating a novel model of LCBT.

## Materials and Methods

This article is based on a desktop research methodology that used journal articles and other available relevant and important resources on the internet. Literature is a valuable resource in terms of providing the secondary sources necessary to compile an article leveraging on the mass information in books, journals as well as on the internet. Secondary sources are, in that vein, critical in the process of knowledge production as we build upon the knowledges that are already available in literature. Our approach was inductive in terms of reasoning. This article is thus conceptual in nature and orientation, and adds LCBT to the corpus of tourism knowledge.

## Literature review

The counteractions to conventional/mass tourism and the “expectations of the new tourists” facilitate and enable the development of alternative forms of tourism such as pro-poor tourism, volunteer tourism, ecotourism and community-based ecotourism (Fiorello & Bo, 2012:6). With specific reference to CBT, Lopez-Guzman *et al.* (2011:81) note that it “was created as a different way to look for alternatives to traditional mass tourism.” At the same time, the accommodation sector itself also transformed as observed by Rogerson (2010:425) that segmentation is intensifying in the accommodation sector due to changing markets and refusal to accept homogeneity by tourists with respect to accommodation offerings. These alternative forms of tourism and new accommodation trends should be contextualized considering the general shifts taking place in the tourism markets in which the behaviours of tourists are also morphing in light of the opportunities available (Fiorello & Bo, 2012:2). The experience becomes fundamental in contemporary travellers as they reside in an ‘experience economy’ in which the experience is more important than the destination. It can be surmised that the thrust with new forms of tourism is experience, experience and experience. More than just valuing the destination, a premium value is now being placed on the experience and as such experience matters in current times.

Luxury tourism is growing and evolving. A *2015/2016 report on travel trends* by IPK International (2015:6) observed that luxury class hotels have experienced an upsurge in market share while other categories have lost their market shares. The profile of the luxury traveller is also in a state of continual evolution necessitating the industry to constantly adapt (ILTM Leaders Forum White Paper, 2011:7). This behoves upon the industry to adapt or perish as new forms of experiences exponentially emerge against a backdrop of changing tourist profiles, personalities and markets. Fundamentally the new trends in luxury are linked to the ‘distinctive demographic group that has emerged over the past decade [...] motivated to buy products and services that are environmentally conscious, sustainable, socially responsible, and/or healthy for themselves and the planet’ and prefers experience over goods and a



propensity for personalised products offered in luxury travel (Poinelli, 2015:3). Morgan-Grenville (in Poinelli, 2015) observes that luxury travellers are seeking depth and immersion in local cultures; and instead of seeing they are yearning for participation while still dining and dining in authenticity and comfort. To adjust to these new realities, current luxury tourism is being perceived as being more customised and personalised, the “selling point has become the ‘depth of a travel experience’ – its uniqueness, its personal aspect, its cultural and spiritual enlightenment, its thrill” (ILTM Leaders Forum White Paper, 2011:5; on similar concepts also see Poinelli, 2015).

Sustainability and social dimensions also become relevant in luxury tourism. A document prepared for the International Ecotourism Society (Lackey, DeLange & Bricker, 2016:2) reports that luxury travel has adopted sustainability as priority tourists being ushered closer to nature proximally with activities such as engaging in community activities of re-forestation. Again, luxury tourism is also involving notions of fair trade, brand equity, and social responsibility in all its forms as ways to give back (Horwath HTL, 2011:8). The tourism industry needs to consider, and plan accordingly, for these new luxury tourism trends, so the emerging issues of sustainability and social responsibility are always foregrounded in tourism development (Horwath HTL, 2011:21). On the contrary, Moscardo & Benckendorff, (2010:725) observes that luxury has been merely associated with service and the quality of the accommodation and location with little concern for the environment especially in B & B ventures and with an increase in these ventures will come an increase their ecological footprints.

This article agrees with these sentiments that emerging trends may come with negative side-effects if care is not taken in weighing and assessing their worth. Luxury tourism trends related to environmental and social concerns are, on one hand, observed to be growing, on the other hand, doubts related to these concerns have also been expressed. In this context and, while agreeing with Moscardo and Benckendorff (2010:726), this article argues that aspects in luxury tourism related to environmental and social matters could be used in a new conceptualisation of luxury tourism that can be linked to the fundamental principles related to CBT in a coalescence of principles from the two traditions. In this context, (and with specific reference to the accommodation sector) CBT and the possible specific utilisation of the ‘new’ Boutique Hotel, a constellation produces a new concept of LCBT as shall be subsequently shown in this article. The next section looks at CBT.

### **Community-based tourism (CBT)**

The importance of community-based tourism cannot be ignored. It is growing and is experiencing unprecedented growth as travellers search for meaningful experiences during their leisure time (McNeill, 2015: II). Community-based tourism has its roots in the alternative development approaches of the 1970s and since that time CBT has considered a viable strategy towards conservation and development (see Giampiccoli, 2015:678). As such, CBT is considered a form of tourism for improving the living standards of underprivileged communities in ‘remote, rural, impoverished, marginalized, economically depressed, undeveloped, poor, indigenous, ethnic minority, and people in small towns’ (Tasci, Semrad & Yilmaz, 2013:10).

CBT should be owned by the communities for visitors to learn about the community in their localities (George, Nedelea & Antony 2007: 1; see also on similar perspective Suansri 2003: 14, Kayat 2014: 1, Leksakundilok & Hirsch 2008: 214). Local control of CBT by disadvantaged community members and coupled with redistributive approach are fundamental issues (see Saayman & Giampiccoli, 2017:153). Various fundamental principles to which CBT should adhere to are encapsulated in the 14Es below (see Box 1).



**Box 1.**

**Endogenous:** CBT should be an indigenous local effort, relying on local resources and cultures, knowledge, expertise and so on.

**Environment:** especially when reference is made to community-based ecotourism (CBET) and the conservation of the biodiversity should be paramount. This aspect, should also include issues regarding health and sanitation in the sense of environmental conditions and available infrastructures.

**Education:** increase in skills, attitudes and education related to CBT (tourism) and generally.

**Empowerment:** entails holistic empowerment which embraces economic, psychological, social and political empowerment.

**Equity:** equal distribution (and working towards re-distribution) of benefits and resources amongst the people involved and in the wider society and between men and women.

**Evolving:** always improving and changing bases based on the need and the specific changing conditions and opportunities, for example, from informal to formal sector and vice versa.

**Enduring:** long term sustainability in all the various aspects (cultural, economic, environmental, psychological and social).

**Entrepreneurship:** keep in consideration all the entrepreneurial characteristics. The CBT ventures is, like any other business, has to be economically viable, with proper accountability, a management system, appropriate decision-making processes, networking and so on.

**Ethical:** respect of laws, respect of gender relations and disadvantaged groups, respects for human and animal rights and so on.

**Externalities:** positive impact on the local context in which the company operates, cultivating active and valuable relations/cooperation with other entities, reflecting a sense of responsibility to the local context and nurturing good relationships.

**Exclusive:** a special and unique experiences to the visitors.

**Experience:** knowledge, involvement and specific experience for the visitors

**Enjoyment:** contribute to the enjoyment of the visitors.

**Ethnic:** to respect local traditions such as traditional building methods, architecture, use of the present landscape as used by the business and so on (The Ethnic E could also be viewed from a tourism business perspective as a way to respect local traditions in the business practices –such as an Ubuntu management system in many African contexts– as well as building/construction and so on).

Source: Giampiccoli & Mtapuri, 2017.

CBT ventures are a collective enterprise system which embraces the emergence of other micro or small ventures which are expected to ultimately join the umbrella venture (Saayman & Giampiccoli, 2016:170). Trends in tourism seem to embrace CBT and in the case of Jamaica there is evidence of the shift from 'sun, sand and sea (3S)' tourism to experiential tourism since the country can offer experiential offerings in a heritage and cultural nature (MTE, 2014, V). Similarly, from a European perspective, travellers are looking authentic experiences which ensure safety, participation and importantly, benefit the communities (Ministry of Foreign Affairs of the Netherlands, 2016:1). Community-based tourism considers the needs and curiosity of visitors by allowing them to experience and learn everyday ways of life of local people as expressed in their traditions, cultures and lifestyles (Konwar & Chakraborty, 2014:942; see also Mtapuri, Giampiccoli & Jugmohan, 2015:4).

Despite the argument that it is not easy to provide a precise tourist profile (CBI, 2015:28) some possible market profile has, however, been advanced (see CBI, 2016). A Community-based tourism market profile consists generally of travelers who: are well-educated; have a relatively high income; and are relatively experienced (CBI, 2016:2). There are various markets that can be pragmatically be associated with CBT (see CBI, 2016). However, specific market typologies or segments seem, at varying degrees, link CBT and luxury tourism. Soft CBT travellers desire some comfort.

### **Soft CBT travellers**

This is the largest group of CBTs travellers. They are generally interested in culture, adventure and interaction with locals. However, unlike the hard CBT travellers, soft CBT travellers do



want some comfort. They are mainly interested if the experience is really unique and worthwhile. If you can meet this group's needs, it offers good growth potential" (CBI, 2016:2).

Whereas, and importantly for this article, the older generation which is interested in CBT, look to combine CBT with luxury.

### **Older generation**

This is the largest group of CBT travellers. Europe has a relatively large generation of people between 50 and 70 years old. This generation has more time and money available than other groups. Often their children have moved out, or they are entering retirement. They are less tied to summer holidays and travel more in low season. Older CBT travellers are healthy and like to experience new things. They are mainly interested in soft adventure activities, combined with luxury. They also look for authentic experiences (CBI, 2016:3).

Yet another category, the high income, little time market segment can also partly embrace luxury tourism from a CBT perspective.

### **High income, little time**

These are young professionals with high incomes but limited time to travel. They are mostly between 31-50 years old and often travel in couples. This group is looking for unusual 'once in a lifetime' experiences. They want to fit as much into their holiday as possible. Comfort is important to them (CBI, 2016:3).

These markets trends show how CBT can be directed towards a more luxury context if grounded in CBT principles and include luxury and comfort to accommodate and serve these discerning tourists. Boutique hotels provide that luxury.

### ***Boutique hotels***

Like CBT, the BHs market is growing. Thus, BHs "are considered widely to be one of the high-performing growth segments of the international hotel industry" (Rogerson, 2010:4370). The emergence of BHs is recognized as a significant development in the leisure industry (Horner & Swarbrooke in Rogerson, 2010:426). The large Millennials market segment is linked to the growth of BHs since it has been observed that as Millennials are dominating traveller demographics and are indifferent to branded hotels and seek experience over loyalty to any hotel chain (Rauch, 2016).

Hotel chains seek to construct a reputation for quality to build consumer trust and this is important because mass tourists seek for names they know especially in foreign countries (Clancy, 1998:132). However current market trends seem to be going in the direction of customisation of experiences and local contextualisation. Rogerson (2010:427) proposes that the appearance of BHs is an innovation arising from the commoditization and standardization of hotels which emerged in the 1970s and 1980s and this represents post-fordist tourism delivering a unique experience. Years of standardization in which hotel chains provided a consistent product, saw the emergence of boutiques in 1980s as a niche product which over time has turned into a global phenomenon (McKenney, 2014:2).

While there are specific differences – almost representing the opposite of the spectrum - between the often-confused concept of "lifestyle" and "boutique" hotels, these need to be elaborated and delimited (see Van Hartesvelt, 2006:33). Thus, as a possible main difference "Lifestyle hotels generally are targeted to mass markets, while boutique hotels aim for each guest individually, or a "market of one." Lifestyle hotels are largely a creation of the major



brands. While they "feel" independent, there is a similarity in the product across the brand. Boutiques, on the other hand, have individual personalities that don't often transfer well from market to market" (Van Hartesvelt, 2006:33). Accordingly, from the 1980s, the BH phenomenon surged as travelers sought accommodation that would offer them quality and a hotel stay which represented 'an experience in itself' (Freund de Klumbis & Munsters in Rogerson, 2010:428). Hence boutique accommodation is about the experience (Rogerson, 2010:428).

Despite possibilities of 'affordability', BHs are generally associated with high-end and luxury types of tourism. Boutique hotels are viewed as an 'Affordable style' and that "boutique hotels are chic and luxurious yet competitively priced in the market, with rates often more flexible than at standard hotels" (Campus travel, n.d.; see also Rogerson, 2010:436 on relation between Boutique Hotels and luxury). Again, BHs tend to allow guests to indulge in the 'local feel' while in luxury (McKenney, 2014:4). As such, a boutique hotel typically offers quality, luxury and hospitality all combined (Firat, Turker & Metin, 2014: 83). Despite difficulty and inconsistency regarding the definitions of BH, literature shows that they are usually not part of chain, smaller in size and emphasise close exchanges between clients and staff (Chan, 2012:1). While size varies, BHs are usually small and Goh (2015:127) observes that a typical boutique hotel has less than 100 rooms.

The ownership structure of BHs has been evolving and this evolution is relevant in illustrating how the original BHs were largely linked to independent and local contexts. As such, before the emergence of Holiday Inn in the 1960s, most hotels were hotels were boutiques with branding, these independent hotels began to fade only to re-emerge in the 1980's out-performing branded hotels (Van Hartesvelt, 2006:33) due to a growing demand. Lim and Edean (2009:42) notes that boutique hotels are typically operated by the owner who resides on the premise, do not belong to a chain, do not follow standard operating procedures and largely remain independent. However, while both branded BHs and independent BHs have enjoyed growth, more recently branded BHs seem to be on the rise and have surpassed independently owned BHs (Jang, 2014:4).

Finally, BHs can be broken down into subsectors in which the main sub-sectors are boutique/lifestyle brands, resorts, global brands, design-led brands, eco-friendly, health conscious and budget boutique hotel companies (see McKenney, 2014:43; on segments of boutique hotels see also Chan, 2012:4). For example, responding to the needs of customers, many boutique hotels are becoming eco-friendly (McKenney, 2014:43). In this context, this article adopts the following definition of BH: "A 'boutique hotel' includes small, privately owned individual and franchise inns and lodgings that represent, 'a 'new' brand of hotel, similar to but distinct from independent historic hotels, that focuses not on the past, but on contemporary cultural, social and/or environmental trends" (Kleinrichert, Ergul, Johnson & Uydaci, 2012:212 and Swig *et al.* in Kleinrichert, Ergul, Johnson & Uydaci, 2012:212). In this context, a new type of tourism (here specifically focusing on the accommodation sector but arguably relevant to other tourism sectors) is here posited - Luxury Community-Based Tourism (LCBT). This entails embracing the principles and approaches associated with CBT being implemented in BHs as a luxury oriented form of tourism. Due to its characteristics, it can also be postulated that BHs can be seen to be possessing the appropriate orientation which adopts CBT principles by creating a specific LCBT subsector of BHs, possibly named Community-Based Boutique hotels. In this vein, it can be argued that for this to happen, the BHs should revert to their original conceptualization as independently owned – not being part of hotels chain and/or international groups – usually small with an orientation towards new market trends related to social and environmental aspects.

### **Towards luxury community-based tourism**

This section follows on the steps of previous articles and documents (see Saayman & Giampiccoli, 2016; Hamzah & Khalifah, 2009) in which greater influence, and mainstreaming



of CBT principles and approaches to the tourism sector as a whole are suggested. It has been proposed that CBT should scale-up, by transferring control and decision making to communities to decrease inequality for global change (Saayman & Giampiccoli, 2016:166). From the APEC countries it was noted that, 'in the light of the growing importance of tourism as a tool for economic regeneration, it is imperative that the principles and mechanisms of CBT are mainstreamed [...] By doing so, CBT will no longer be an alternative development model but a formal development tool' (Hamzah & Khalifah, 2009:2; see Saayman & Giampiccoli, 2016 for matters related to scale of impacts of CBT). These concepts could be 'reserved' so that CBT principles could be embedded in the luxury tourism framework so that luxury tourism can also contribute to the shift in the tourism sector. It is desirable for communities to be empowered to operate ventures at full commercial scale though appropriate interventions (Jealous, 1998:12).

This spread of the CBT to the whole tourism sector needs to be supported by the understandings that CBT is not inferior to conventional tourism. Neither are other alternative forms such as PPT, CBT and ecotourism (Giampiccoli & Saayman, 2017:10). Ndlovu, Nyakunu and Auala (2011:39) argue that it can be considered as inferior based on the inferior quality of products it offers. This resonates with the Government of Barbados (2012:10) which observed that there are negative sentiments within the industry towards products produced in the CBT sub-sector when weighed against products offered in the formal sector.

In this context, we make a step forward by linking CBT and luxury tourism, in this case using the BHs characteristics. In doing so, as a background, it is important to recognise that the luxury milieu and practical settings must be retained to satisfy luxury market tastes and preferences. Accepting the luxury context based on new trends in luxury tourism, such as priority of experience over materialism (while keeping the luxury aspects), the more environmental and social awareness, the characteristics and market of BHs and building on the principles and approaches of CBT, a new type of luxury tourism approach is here advanced - **Luxury Community-based Tourism (LCBT)**. The new LCBT is not in contraposition to the original formulation of CBT but it aims to enhance and spread the CBT principles to a larger market and attract tourism companies to embrace the fundamental principles of CBT such as local control of the company, a distributive system of profit to the wider society, respect of local culture, prioritizing the use of local resources and so on. In this context, LCBT is not the same as CBT itself, but it is an approach to encourage luxury tourism establishments such as boutique hotels to embrace, implement and conform to specific criteria based on CBT principles to broaden participation and empower communities.

The defining characteristics within the LCBT, will be that the BHs will be independently and locally owned and rooted in the territory in which they are located but differentiating themselves from chain tourism companies by the adopting CBT principles. Following, the CBT principles above (see Box 1) and to what is already written in this section, an LCBT should manifest the following essential characteristics to represent a new configuration that blends luxury with community-embeddedness: The LCBT should:

- Locally and independently owned;
- Implementing redistributive measures which facilitated the wide distribution of material and non-material resources to achieve positive impact on the community at large;
- Working cooperatively amongst LCBT establishments or cooperatively (collectively owned as Trust, Non-Profit Organisation and so on) with reference to the two models of CBT;
- Based on local resources both material (such as building material) and non-material (local finance);
- Small scale but can become the mainstream tourism sector;





- Be ethical and sustainable in respects of cultural, economic, environmental, psychological and social matters;
- Promote education and empowerment aimed at an equal and just society.

From a tourist perspective, the LCBT should certainly deliver (as CBT should) exclusivity, experience and enjoyment. Certainly, compared to CBT, the LCBT will usually require a huge investment in terms of capital outlays. As an enabler and positive aspect, there is no legal impediment to establishing LCBT accommodation (or other tourism business) as a collective ownership model (cooperative, trust, NPO and so forth) that favors the redistribution of benefits for the good of the community. New companies wishing to be LCBT can initiate internal processes in relation to the company's adherence to CBT principles. On the other hand, and as a possible middle ground and/or temporary solution, the already established luxury establishments could absorb within their ownership and management structure a collective entity formed by the employees and /or local community members by giving a percentage of their ownership and management value and decision-making power (Employees should be considered more favorably in this case; however, community members could be considered as a possible alternative option where possible). When employees and local community have control, and gain more benefits from an establishment, it is likely that they will be more willing to support and assist the local tourism sector. The full model of LCBT should ideally be the ultimate goal.

## Discussion

The LCBT model of tourism makes nascent links and represents a shift of the tourism industry towards a locally controlled and locally beneficial industry. This does not mean that external investors cannot participate in LCBT, but specific requirements related to the ownership structure and management approaches need to be put in place in order to retain local control and CBT principles. For example, an external investor can be part of a cooperative that owns a LCBT establishment in which the majority of owners are local people. Another alternative is that LCBT companies (i.e. LCBT BHs) could also link with CBT ventures themselves to enhance their CBT orientation. Internal regulations should be used to ensure adherence to CBT principles with emphasis given to redistributive measures and local contextualization in relation to resources and benefits. When CBT principles are difficult to achieve, other principles can be reinforced to counterbalance the weak principle. Adherence to CBT principles is important though. It is envisaged that LCBT should grow in scale. This means that the BHs that do not become LCBT may still become big establishments with hundreds of rooms, but that LCBT should become the preferred approach for spreading BHs by adopting LCBT principles. Underpinning this growth and the emergence of new forms of LCBT, they should be the five Vs of volume (the amount of visitors) should be 'sustainable' to avoid massification and its negative on humans and the environment; Variety - the various forms of the experiences - should be wide and enduring; Value relates to how valuable the experiences should be - what the tourists and hosts both value. For the tourists, value means what they are prepared to pay for; and for the hosts, what they are prepared to preserve, conserve and treasure. Veracity relates to how reliable and 'sustainable' that experience is. Velocity is concerned with the speed at which the experiences are offered and mutate with sustainability in mind.

The locally owned and independent BHs ideally should become LCBT to the extent that they can embrace and implement CBT principles. Community based tourism belongs to two main types of structures that can be adopted in a flexible way and can be adjusted to specific local contexts. As such "CBT are proposed: a single community-owned structure (type 1) (community lodge) and multiple micro and small enterprises under a common organizational umbrella (type 2)" (Mtapuri & Giampiccoli, 2013:11). In this context "the lodge should run as a cooperative or trust, whereby part of the profit is reinvested in community-wide projects" whereas the second type "consists of multiple micro and small enterprises in which the



different enterprises are organized under an umbrella body such as a cooperative or trust, which helps to coordinate and represent the stakeholders/communities in formalizing agreements with external parties” (Mtapuri & Giampiccoli, 2013:11). As such BHs formed within LCBT principles can also have two main forms of ownership, the one enterprise owned and managed within a collective approach or single independent companies under umbrella organisations again collectively owned and managed such as a cooperative or trust. A franchise cooperative model could also be established where a mother company (franchisor), which adheres to the LCBT principles (including the principles of being locally based and using local resources) can franchise its model to establish a new company (the franchisee) using in this way LCBT principles in adhering companies that are working together. Other formations such as cooperatives are possible.

Regarding negative images expressed on collective entrepreneurship, Fields (2011:83) notes that worker cooperatives can be run efficiently as any privately-owned firm. The Year of Co-operatives by the United Nations in 2012 noted that co-operatives are resilient to global influences, can create jobs and are a serious business entity (Coop, 2012 in Saayman & Giampiccoli, 2016:170; on the value of collective entrepreneurship especially in relation to CBT and community development see also Saayman & Giampiccoli, 2016:170). As such there is no barrier that impedes the use of collective entrepreneurship in a luxury business, where socially progressive entrepreneurs establish new ventures that benefit the society at large while navigating and adopting the new trends in the luxury tourism and BHs market. This new type of tourism companies could be the link between new trends in the tourism markets, luxury tourism, BHs and CBT markets. This manifests a system that is cooperative, trusting with no-profit motive, associated with a collective ownership and management structure and, at the same time accepting and implementing profit redistributive measures that benefit the company owners and society at large. Whereas when multiple single ventures cooperate, similar redistributive aspects should be put in place by an umbrella organisation that implements CBT principles. It is important to emphasise that this it is not a new type of Corporate Social Responsibility (CSR) but, instead, this represents a new understanding and a new type of venture itself or association between ventures which is community-centric.

Importantly, LCBT should not be seen exclusively within the BHs milieu. While specific features of the BHs model make it predisposed to the LCBT model, any luxury (high end) tourism ventures should be viewed as possessing the potential to ‘transform’ themselves towards embracing CBT principles. New luxury tourism companies could adopt LCBT from inception so as to distinguish themselves literally from the ‘crowd’ and start enhancing a new tourism trend of LCBT while offering new opportunities and vistas of luxury and community ownership. The necessity is to nurture and have a new breed of entrepreneurs that understand that profit, local context and community development can also coalesce to produce a just, redistributive and locally controlled tourism sector. The specific orientation of the luxury tourism market can provide the impetus and leverage to establish this new LCBT where dedicated entrepreneurs take advantage and contribute to the luxury tourism sector. Profit is important for the survival of any venture, but this places a new understanding and meaning to profit as not the end all.

## **Conclusion**

Community-based tourism and BHs markets are growing. At the same time, the luxury tourism market is changing and becoming more aware of, and directed to, environmental and social matters as tourists look more for experiences than to material things as this article has shown. However, the luxury settings and amenities need to remain in a specific high standard. Within this general contextualisation, this article advanced a new type of tourism, namely LCBT. This new form of tourism is based on CBT principles but working within a luxury milieu and is built by new socially progressive type of entrepreneurships who exploit the new tourism market



trends. The creation of a specific type of tourism denominated LCBT can be seen as positive and built on CBT principles through the adaptation of BHs within a luxury tourism milieu. While this article specifically focused on the accommodation sector particularly on BHs, it is important to mention that the same principles and ideas can be applied, with possible specific and appropriate sector adjustments, to all tourism sectors such as transport, travel operators and so on. While LCBT represents a new configuration, it could contribute to community transformation with a redistributive, equity directed, locally controlled and contextualised and holistically sustainable tourism sector.

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