

## ETHICAL PRACTICES OF TOUR OPERATORS OF BANGLADESH

**Rahman M.**

Department of Tourism and Hospitality Management, Bangabandhu Sheikh  
Mujibur Rahman Science and Technology University, Bangladesh

*gtldhaka@yahoo.com*

### ABSTRACT

Tour operators, the leading and integral part of the industry tourism industry are product developer and service provider. Due to this potentiality, tour operators should have to run their activities with high standard of ethics. This study has been undertaken to explore the amount and the set of ethical practices in Bangladesh perspective. Randomly 40 Bangladeshi tour operators amongst 354 of Tour Operators' Association of Bangladesh (TOAB) members have been sampled for collecting primary data on a close ended questionnaire. Afterward quantitative data analysis and graphical features have been done for satisfying the objectives. This paper generates some findings. Ethical tour operation enriches life and minimizes negative impacts on the society. Monetary transactions through banks carefully expense the natural resources conserve resources and reduces the unethical activities. Tour operators and host community people must increase their tourism knowledge. These will generate some benefits for the good industry practices in all the areas covered in tourism sector. The knowledge of ethical operation and judicial use of tourism resources may help to build a competitive tourism world. Tour operators ethical attitude ensure the value for money by providing clients' travel services with all possible cares. The general benefits from ethical practices may create value for tourists and the host community people. For long term perspective, implication of ethical and professional performance of tour operators towards their clients can develop a standard in Bangladesh perspective.

**Keywords:** *Attitude, Community, Destination, Operator, Policy*

### 1 INTRODUCTION

Wikipedia defines tour operator as typically combine tour and travel components to create a holiday. The most common example of a tour operator's product is a transport plus a transfer to hotel and the services of a

local representative, all for one price. On the other hand, a tourism product can be defined as the sum of the physical and psychological satisfaction it provides to tourists during their travelling en route to the destination. Tourism is probably the largest industry in the world, and Tour Operator is leading it (Theobald, 2005). Keeping the potentiality in mind, tour operators should have to run their activities ethically. Some set of ethical practices of tour operators are the best interests of involvement. The ethical operations can help tour operators to get a competitive advantage and safeguards of future industry. Tour operators are the lead the tourism as well as they are the development partner of this industry. It is also can help to combat poverty alleviation and contribution of sustainable development.

Due to highly competitiveness, tour operators are under increasing pressure to differentiate their products and services. Research suggests that clients choose destination(s) based on the criteria of satisfaction and ethical performance. Clients are also looking for increased quality and experience in climate issues, product development and nature of demand satisfaction ethically. Some operators are moving from a cut-price to an experience-focused product and their specialist operators. Some operators have started to address their environmental and social responsibility and some have been working over the past year to produce ethical tourism code. But still many tour operators fail to respond due to less understanding of tourism industry and the essence of ethical operations. Furthermore, they are damaging the resources due to ignorance and lack of the industry caring. Based on the above discussion, this study has been undertaken to satisfy the following objectives.

### **1.1 Objective of the study**

- a) To identify the indicators of ethical practices of Tour Operators.
- b) To explore utilization pattern of ethical practices in Bangladesh.

## **2 REVIEW OF LITERATURE**

World tourism industry is tremendously and dynamically expanding and outgrowing in the most unimaginable forecasts (Budeanu, 2005; Hall & Brown, 2008; Enea, 2007; Schwartz, Tapper & Font, 2008). Tour Operator is the leading stakeholder of tourism industry and they have the potential to bring major benefits to destinations, art of peoples' living and to their environment. There are some ethical dilemmas in case of operational activities of tour operators and other related stakeholders (Beltrami *et al.*, 1984; Peterson, Beltramini and Kozmetsky, 1991; Ruegger and King, 1992).

Ethical practices of tourism by tour operators have the importance of organizational socialization and the value of tools, such as codes of ethics to ensure consistent standards of professionalism (Cleek and Leonard, 1998).

Making tour operators a competitive advantage and safeguards the future of the industry should ensure the long-term sustainability.

Tourism stakeholders in national, regional and local level enterprises, trade bodies, DMOs, associations, workers in the sector, NGOs and other bodies as well as host communities, the media and the tourist have different interdependent responsibilities in ethical tourism practices (UNWTO, 2011). On the other hand, socially responsible business represents a duty of governance structure of a company towards the profit and interests of the society, which gives the society sustainability and development and which is under the influence of the activity and policy of the organization (Dragin, 2011). Lewis defines business ethics as rules, standards, codes or principles, which provide guidelines for morally right behavior and truthfulness in specific situations (Lewis, 1985). Implementation of the law in tourism was a powerful tool for guiding tour operators' ethical and social responsibility.

Multifaceted nature of tourism, its marketing ethics and corporate social responsibility are complex and challenging issues (Kazokiene & Virvilaite, 2005).

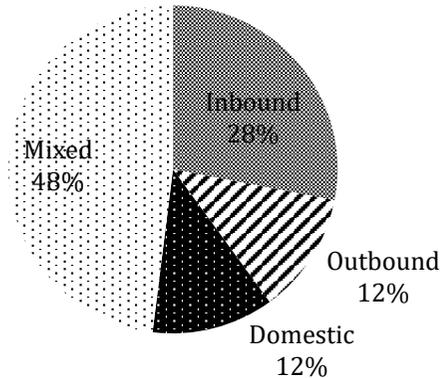
### **3 METHODOLOGY**

In Bangladesh, there are huge numbers of Tour Operators and nobody can say the actual numbers. Tour Operators' Association of Bangladesh (TOAB) is a recognized trade body of tour operators here, belongs to 354 members. In this study it has been treated as the population. All of these operators are engaged with either or inbound, outbound and domestic tours distributed throughout Bangladesh. So, it is a wide range to get data from various parts from where they operate tours. A questionnaire was developed and floated for testing with 8 tour operators. After that the final questionnaire has been distribute to 40 tour operators by randomly selected. Thus, primary data have been collected from the selected tour operators, processed and analyzed. Afterward, based on the analyzed data bar graph and pie chart was developed by using MS Excel.

### **4 RESULT AND DISCUSSION**

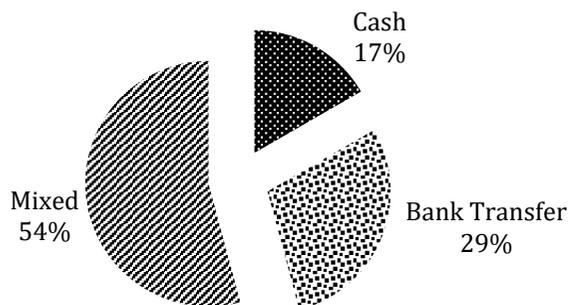
Almost half (48%) of the tour operators in Bangladesh operate in a mixed pattern that is inbound, outbound and local. It indicates that mixed operators participate much and lead the industry. Their participation and contribution to the industry is big. That's why ethical practices must need to run the industry properly. Only outbound and domestic operators are equal (12%). But more than one-fourth (28%) tour operators are involved in inbound tour operation. Expats says, tourism expansion means the industry leads the source of foreign exchange in at least 38% of countries (WTO, 2005). Ethical tour operation is responsible for betterment of the life by collaborating with the socially

responsible and passionate performance on minimizing negative impacts (Anonymous, 2018). Tour operators' ethical activities are big factor of tourism export and earning foreign exchange earnings (Figure 1).



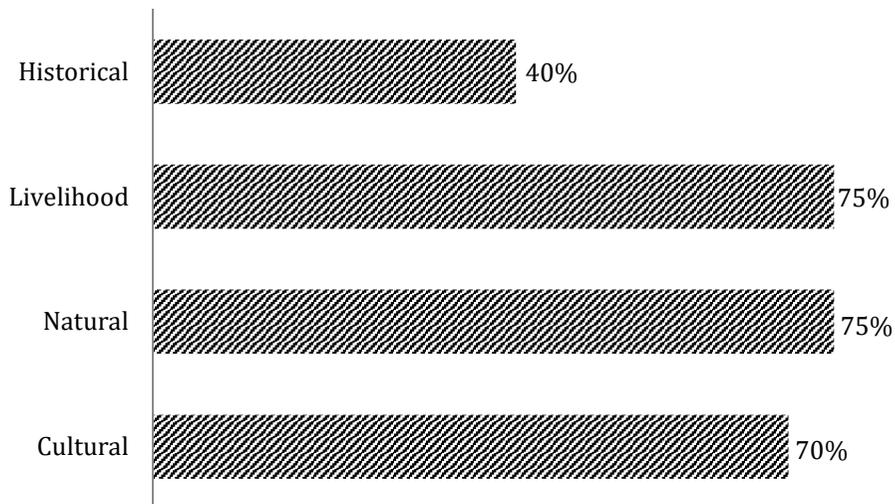
**Figure 1: Mix of Tour Operators**

From the view of monetary transaction, Figure 2 expresses that more than half (54%) of the tour operators like to transact money in both cash and bank transfer and still 17% want to deal with cash. Only 29% involve with Bank transfer. Non-banking transactions may cause the crime and unethical activities. For reducing or to free the industry from the blame of money laundering, all operators should come forward with bank transactions.



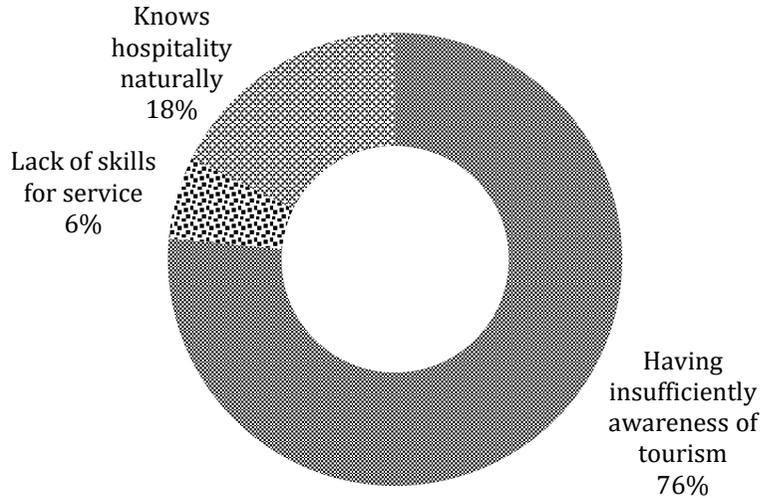
**Figure 2: Mode of Transaction**

Based on the likings of tourists, tour operators handle mostly in 4 types of tours, i.e., historical, livelihood, natural and cultural. Both 75% tour operators operate livelihood and nature tourism. It is a good indication of our tourism industry, because these two are our basic tourism resources and most of the tour operators utilize these. 70% tour operators involves with Cultural tourism. On the other hand, there is a good potential of historical tourism in Bangladesh, because 40% operators deal with to explore this area (Figure 3). Tour operators must care the local and inbound tourists in livelihood, natural and cultural tourism. Judicial utilization of tourism resources is a great ethical approach of tour operators. But be sure that over tourism is risky and destroy the tourism resources of any destination.



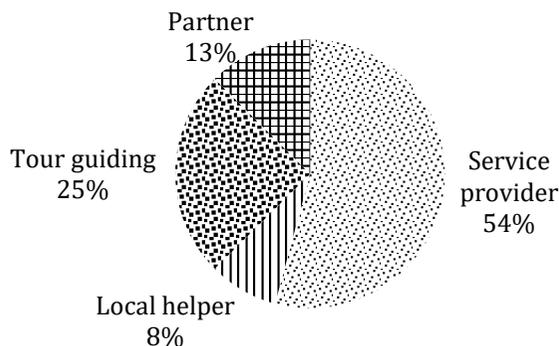
**Figure 3: Types of Tour Operations**

Tourism industry of Bangladesh is still infant and host community people are not making them ready to involve themselves with the industry. In Figure 4, we see that more than three-fourth (76%) of tour operators expresses their opinion about the local people that they have insufficient knowledge on tourism. Rest 18% admits that they have a good sense of natural hospitality with lack of skills for services. From this statement, we can understand that for ethical tour operation is highly needed to increase their knowledge on professional hospitality. Otherwise, it will not be possible to provide personalized services for satisfying the increasing demand.



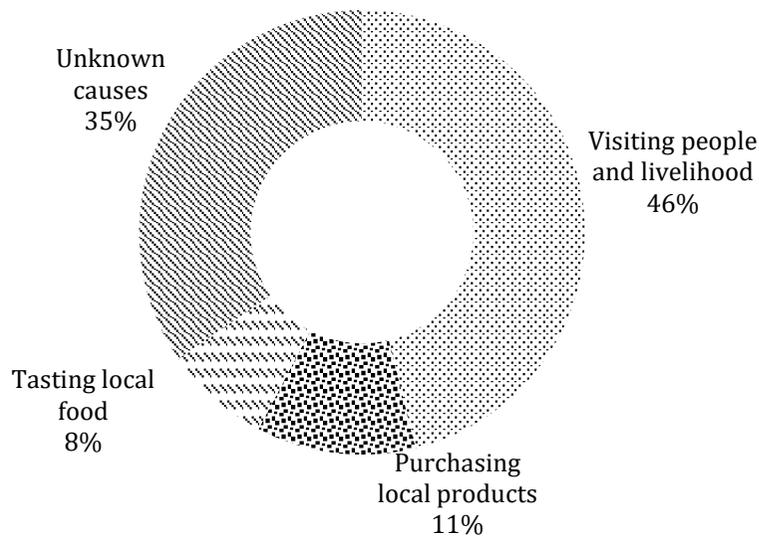
**Figure 4: Tour Operators' knowledge on hospitality**

All tour operators are involved with local people in various ways for their professional need. It is identified that more than half (54%) of the tour operators get required services from community people, one-fourth (25%) get services as tour guide. Few operators (13%) also make partnership with them. Rest 8% tour operators engaged local people as their helper (Figure 5). From this pie, it is expressed that all local people are engaged in tour operations in many ways with their skills and capacities. So, relationship between tour operators and host community people creates a high value performance. For ethical tour operation, it must be in win-win situation.



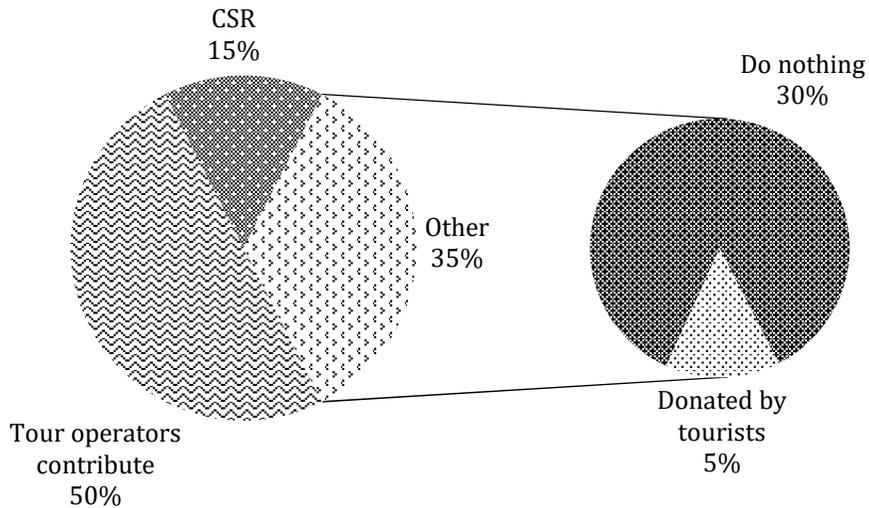
**Figure 5: Relationship with community people**

From Figure 6, 46% tourists visit community people and their livelihood. On the other hand 35% tourists visit for unknown causes. It expresses that there may be new potentialities if let them know the known. There is hopeful information that 11% tourists are observed their purchasing attitude of local products and rest 8% love the local food. This picture indicates about the dealing of tour operators on the basis of tourists' need. Tour operators must have the knowledge on Bangladeshi culture, livelihood, culinary science and the local art and craft. Otherwise, existing 65% tourists and potential 35% tourists will not be attracted to come back again to the same destination.



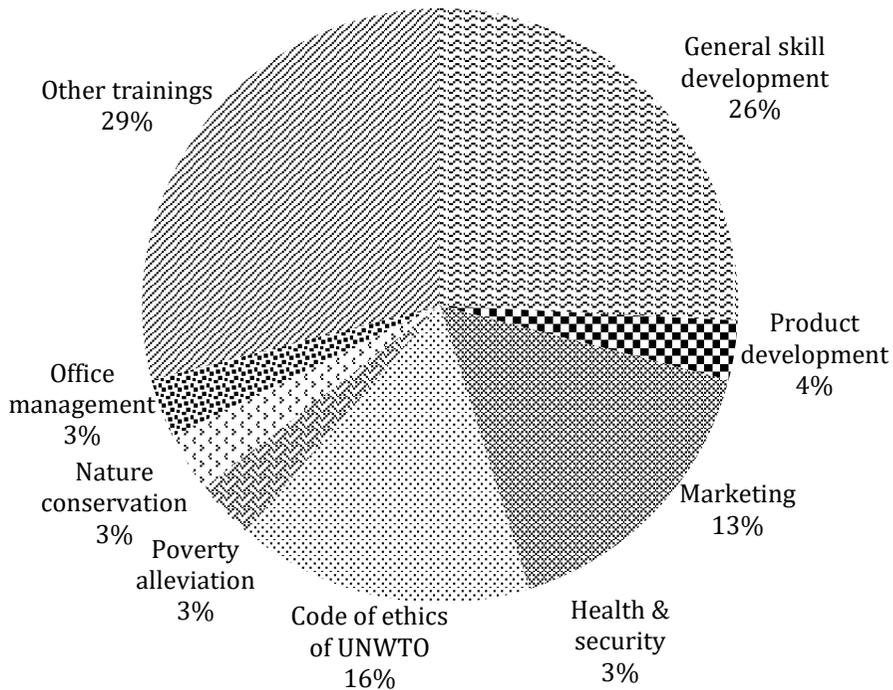
**Figure 6: Purpose of visit**

Tourism is not just a business like others. Economic and social contribution makes the well-being and welfare to the host community people that are come out from the Figure 7. Research shows that half (50%) of the Bangladeshi tour operators are concerned with the direct contribution to the community people, 15% social contribution come from their CSR fund and the rest 5% from the contribution of motivated tourists. It indicates that our sense of welfare of local community is greatly works directly and indirectly with the tour operators. According to Mowforth and Munt (2003) the tourism industry is well-behind the other industries in terms of CSR, and the absence of ethical leadership in tourism has been 'astounding'. But still 30% operators are not involved with this kind of activities. So, there is a scope to work on a lot of operators in this regard.



**Figure 7: Welfare of local community**

Trained employees are the appropriate soldiers of tourism. Developing human capital in tourism industry is one of the main compliances of Bangladesh National Tourism Policy 2010. All tour operators in Bangladesh badly suffer from trained manpower. For this, they train their employees either in-house or out sources based on needs. More than one-fourth (26%) tour operators have to develop general skills of their employees somehow to run the business. Only 13% operators give marketing training to explore and enter into the market. It is interesting that only few tour operators (16%) are aware of the Code of Ethics for Tourism developed by UNWTO. According to Malloy & Fennell (1998), Cleek & Leonard (1998) and Stevens (2001) trainings on various fields including the Code of Ethics, employees of tourism industry work as a tool to provide guidance. Trained and skilled employees can make effective decisions easily. Reviewing the Figure 8, all these are observed.



**Figure 8: Types of trainings**

## 5 CONCLUSION AND RECOMMENDATIONS

Some findings from the study come out and say that the good, intimate, skillful and ethical practice in all the areas of tourism create the benefits of tourists, local community and policy makers. Judicial resource utilization, monetary transaction through banking channel, win-win business relationship with the host community, developing skilled manpower is the prerequisite of ethical tour operation. Otherwise, it will be damaging for the industry growth and benefits as a whole. Good industry practices bring the benefits to the local community and the clients. Social responsibility is a growing area of business activity. Tour operators need to ensure that their clients travel with all of the information they need and with a positive attitude towards their destination.

Based on the findings, following recommendations can be made:

- a) Local tour operators should increase their ethical awareness for professional and organizational causes.
- b) For long-term perspective, tour operators have to maintain the high level competitiveness of the destination.

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- c) As competitor, tour operators must preserve the environment and the society.
- d) The principles of ethics have to become an integral part of organizational behavior. Its core function and values create the marketing strategy and company policies, which will require a full involvement of tour operators.

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