MILGARD SCHOOL OF BUSINESS | CENTER FOR LEADERSHIP & SOCIAL RESPONSIBILITY

Reimagining Tourism in West Maui

Additional Resources:

Share of travelers that believe sustainable travel is important worldwide in 2024

Tourism, Ecotourism, and Protected Areas: The State of Nature-based Tourism Around the World and Guidelines for Its Development
Book by Hector G Ceballos

Maui's Economy: A Balancing Act Between Tourism and Diversification

Market size of the ecotourism sector worldwide in 2022, with a forecast for 2028

Economic bottom line: 'Buckle up for the years ahead'

Ecotourism Definition

A year after Maui's fires, tourism nears $1 billion deficit

Climate Change Hawaii Is Giving Maui Resorts Their Money Back Instead Of Helping Shore Up A Shrinking Beach

November 2024 Visitor Statistics Press Release

OVERVIEW

Tourism can have many benefits for travelers and for local communities, such as jobs for local residents and revenue for local businesses. Tourism can also have negative impacts, such as local environmental impacts and quality of life issues for surrounding communities. Ecotourism, sometimes referred to as sustainable tourism, is a subcategory of tourism that may provide options for reducing some of the negative impacts of the tourism industry. In his 1996 International Union for the Conservation of Nature (IUCN) report, Hector Ceballos-Lascurain defined ecotourism as "environmentally responsible, enlightening travel and visitation to relatively undisturbed natural areas in order to enjoy and appreciate nature (and any accompanying cultural features both past and present) that promotes conservation, has low visitor impact, and provides for beneficially active socioeconomic involvement of local populations" (Ceballos-Lascurain, 1996).

Contemporary ecotourism features sustainable operations practices, inclusion of local communities in sustainable development planning, and programs to educate tourists about unique environmental and cultural attributes of tourist destinations. Managing the business and economic needs and expectations of the many and diverse stakeholders in tourism and ecotourism is often complex given that constituents can range from local communities and small businesses to large companies such as airlines and global hotel chains. Additional complexities arise due to some ecotourism challenges having local-level opportunities for interventions (such as reducing visitors to an environmentally sensitive area or educating visitors on local culture) while others are related to global-level challenges making local interventions difficult in both short- and long-term planning (such as beach erosion in island destinations). According to the topic overview page for sustainable travel and ecotourism on Statista.com, the market size of the ecotourism sector was over $172 billion in 2022 and was projected to be at $374 billion by 2028 (Imarc, 2023). Ecotourism is clearly popular with travelers as well. The Statista.com topic overview also shared a report indicating that 83% of global travelers in 2024 believed that sustainable travel was important (Booking.com, 2024).

Overview Continued

Environmental Challenges Face a Popular Resort area of West Maui

The island of Maui presents an excellent example of a tourist destination that experiences both the benefits of tourism and the challenges. Though not quite at pre-pandemic or pre-wildfire numbers, the first 11 months of 2024 saw over 2 million visitors to the island who spent over $4.7 billion (State of Hawaii, 2024). Tourism accounts for approximately 40% of the jobs on Maui (Chabanova, 2024) and the industry is still working to get back to pre-wildfire levels of employment (Kaua'i Now, 2024).

Like many popular tourist destinations, Maui experiences a variety of environmental challenges related to tourism but two acute current issues that exist in one particular resort area of West Maui are beach erosion and increased severe weather events. Beach erosion has been a concern for many years but the issue peaked after a large swell in the summer of 2022 began undermining the popular beach walk along Ka'anapali. In 2023, the State of Hawaii voted against a planned $10 million beach restoration for Ka'anapali leaving resorts and communities on their own to address the issue (Riker, 2023). Maui's severe weather events have ranged from strong thunderstorms that produced severe flooding across the island to dry terrain and high winds that were key elements of the devastating Lahaina and Kula wildfires in 2023.

Following the wildfires in Lahaina and Kula, tourism dropped dramatically. Some local community leaders and businesses expressed interest in temporarily pausing tourism activities while the impacted communities and others across Maui and Hawaii recovered from the tragedy and others felt a thoughtful approach to tourism was needed to maintain jobs for local community members and revenue for businesses during the recovery. In 2023, it was estimated that Maui lost almost $1 billion in revenue from tourism (Murphy, 2024). Many initiatives are now underway in the Lahaina area and across Maui to reimagine tourism in favor of ecotourism that incorporates principles of environmental and cultural respect and sensitivity.

Case Study Charge

The president of the West Maui Resort Association (WMRA, a fictional organization) has asked you and several other development and marketing firms to pitch initial ideas for a 5-year sustainable development and tourism plan for the Ka'anapali resort area of West Maui that is home to multiple resort and private condominium properties. The plan should focus on the continued economic recovery and development of the Ka'anapali area but there are several other elements that WMRA would like integrated into the plan.

These include:

- Ways in which tourism operators can balance their business goals with environmental and cultural responsibility
- Ways in which the tourism operators and visitors can further support small, locally-owned businesses that serve the local tourism industry
- Ways in which authentic Hawaiian culture and traditions can be integrated into business operations and visitor experiences
- Ways to better educate resort visitors about the specific environmental challenges facing Ka'anapali, Maui, and Hawaii and how they can be part of innovative solutions to these challenges.
- Identification of other environmental or cultural challenges that may face the resort area in the next 5 to 10 years so that WMRA can act proactively
- Identification of leader or role model hotel chains, airlines, or other tourism operators (large and small) that others can learn from?

The WMRA has requested that you create a 15-minute PowerPoint presentation on your sustainable development plan and that you be prepared for a 5 minute Q&A following the presentation.

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