

WORK IN PROGRESS

## Sustainable tourism development in Amsterdam Oud-West

Thea Noordeloos

*International Hospitality & Service Management, Stenden University of Applied Sciences, Leeuwarden, The Netherlands*  
Email: [thea.noordeloos@hotmail.com](mailto:thea.noordeloos@hotmail.com)

In many popular tourism destinations in the world, rapid tourism growth is occurring. The Netherlands has also experienced tourism growth, with an expected increase of almost 6 million international tourists in 10 years. Amsterdam is the main destination in this enormous growth. Some residents are worried that within a few years their locality will be full of tourists. Rapid tourism growth has an enormous impact on the environment, the economy and society, and emphasises the need for sustainable tourism development. Sustainable tourism development has two main considerations: long-term tourism planning, and applying stakeholder participation. Solving the problem of overcrowding can only be achieved by applying these. This study explores the current tourism situation and the extent to which sustainable tourism development is being applied in the rural area of Amsterdam Oud-West. Data will be collected by 11 semi-structured interviews with key stakeholders such as the municipality, residents, the tourism industry and one news reporter. The main contribution of this study will be in terms of context, since no research on sustainable tourism development has been done in this particular area. Besides, it will provide insights into the practical application of sustainable tourism development, which might be helpful for all areas in Amsterdam, or even all other tourism destinations.

**Keywords:** Amsterdam Oud-West, long-term thinking, stakeholder participation, sustainable tourism development, tourism pressure

### Introduction

While many people think of canals, bicycles, coffee shops, mills and the red light district, fewer people seem to think of Amsterdam as an export-oriented multiproduct company (Romão et al., 2015). The rapid tourism growth of the past years has much impact on the city and the surrounding area, in an economical, social and environmental way. Maximising returns for each of these three dimensions is essential to avoid mass tourism and to guide the growing tourism stream into sustainable tourism development. In addition, it is crucial to involve key stakeholders and to apply a long-term vision in the process of tourism planning (Hall, 2008; Berke, 2002; Clifton & Amran, 2011; Cavagnaro-Stuijt & Curiel, 2012; World Travel & Tourism Council [WTTC], 2017). This study focuses on sustainable tourism development and explores to what extent and how the main implications of sustainable tourism development are being applied in the rural area of Amsterdam Oud-West.

### Relevance

Currently, in many popular tourist destinations in the world, rapid tourism growth is occurring. In several cities in Europe, local residents are beginning to protest against the growing number of tourists that disrupt their lives. Examples of these cities are Venice and Barcelona. Here the concept of anti-tourism is clearly visible. In other cities, the ratio of tourists to residents escalates, for example in Macau (1:50),

Hong Kong (1:8.4) and Venice (1:37) (Lai & Hitchcock, 2017). Locals in Amsterdam are not yet writing anti-tourism slogans on walls, however regularly local newspapers report complaints and discussions regarding the nuisance of tourists and overcrowding. In certain areas of Amsterdam, tourism growth has escalated to mass tourism, with the result of poor host-guest relations. There are areas in Amsterdam, however, such as Noord, Nieuw-West and Zuid-Oost that are not very touristic (Schoonhoven, 2015). As a result of the current tourism developments and the efforts from the municipality to spread tourism over the whole city, some residents in these areas are worried that within a few years their environment will be full of tourists (Gemeente Amsterdam, 2015; 2016). It is essential to focus on sustainable tourism development in order to avoid the escalation into "mass tourism". Research in this field is important because understanding reasons for locals' resistance will help to minimise negative impacts and maximise support (Ruhanen-Hunter, 2006; Vargas-Sánchez et al., 2011). According to Clifton and Amran (2011), the cause of negative impacts and perceptions related to tourism is because of inadequate or non-existent tourism planning frameworks.

### Background and aim

Statistics obtained from the Centraal Bureau voor de Statistiek (CBS) and WTTC confirm that rapid tourism growth is a fact. The Netherlands counted 15 767 000 international visitors in 2017, and the forecast for 2027 is 21 725 000 (WTTC, 2017). This has an enormous impact on the environment, the

economy and the society, and stresses the need for sustainable tourism development. Amsterdam especially faces significant tourism growth. The hotel occupancy rate in Amsterdam was 70% in 2005, and in 2016 this percentage has increased to already 81% and is significantly higher than the average hotel occupancy in the rest of the Netherlands (71% in 2015) (Fedorova et al., 2017). It is important to manage this development in such a way that the returns for the economy, society and the environment are maximised so that growth can be sustained.

Being born and raised in a small and quiet village only 60 kilometres from Amsterdam, I find the developments somewhat worrying. Many inhabitants of the village avoid Amsterdam, but some have decided to move there. Those who do, experience immense difficulties finding a place to live, and once they find a place, the prices are sky-high. This is not only related to tourism growth, but to population growth as well. According to Meurs (2017), the most obvious solution is to balance supply and demand so that prices will decrease to a stable point, meaning that Amsterdam should expand. In the past few decades, Amsterdam has expanded enormously already and further growth will require much from the rest of the province, and in the far future it might even affect the area where I live.

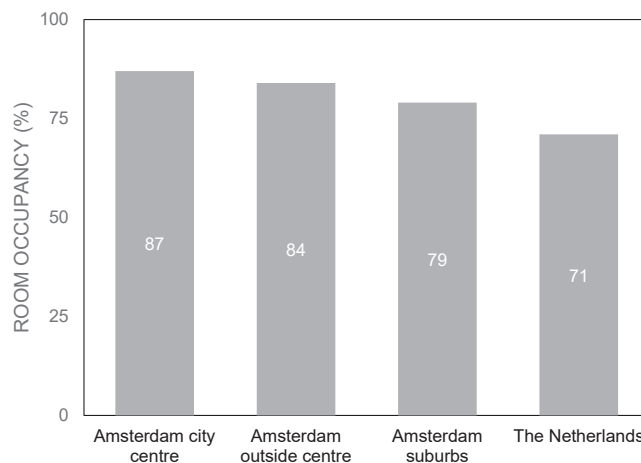
The aim of this research is to identify how the concept of sustainable tourism development, including stakeholder participation and long-term destination planning, is being applied in Amsterdam Oud-West. In this area, tourism numbers are growing, but there is no mass tourism (stakeholder's opinions about this are divided though). Exploring if and how this area applies the principles of sustainable tourism growth and identifying the effects can help the other areas and cities manage the expected stream of tourists in a sustainable way. It should be underlined that it is not the aim of this research to solve problems related to mass tourism. These problems are extremely complicated and involve many stakeholders and external factors. Therefore the aim is to explore the current tourism situation in Amsterdam Oud-West from different perspectives in order to illustrate how tourism is managed and what the consequences are for the economy, environment and society.

## Literature review

### *Tourism in Amsterdam*

Since 2010, there has been a 4–5% annual international tourism growth worldwide. The reasons for tourism growth in Amsterdam are the favourable position of the euro currency and low airline prices (Fedorova et al., 2017). In 2015, the city centre counted 12.9 million stays. This represents 31% of the total stays in the Netherlands, whereas the area possesses only 25% of the total hotel capacity. For the whole MRA (Amsterdam metropolitan region), this percentage goes up to 42%, but the MRA region only possesses 35% of the available hotel capacity (Fedorova et al., 2017). Figure 1 visualises these statements, and shows how the average occupancy rate in the MRA region and the city centre are significantly higher than the national average.

Tourism pressure in Amsterdam is increasing. This is also the case in Amsterdam Oud-West, a district in the western part of the city situated right outside the Canal Belt. The population has increased from 31 529 inhabitants in 2007 to



**Figure 1:** Room occupancy in 3 to 5-star hotels, 2015

35 292 in 2017 (Gemeente Amsterdam, 2007; 2017). Since the end of the economic crisis of 2008, Oud-West has increased in popularity. Especially after the opening of de Hallen, which is located in the Kinkerbuurt, this area has increased significantly in attractiveness and visitor pressure has increased. De Hallen used to be the old tram depot/shed but now it contains The Food Hallen, an art exhibition, a hotel, a cinema, and a library, and many events are organised there.

Recently, newspapers have often written about tourism in Amsterdam. *Trouw* (a Dutch newspaper) wrote that AirBnB and other vacation rentals cause a shortage of living places for residents. As a result, the few apartments that are left in the city are becoming too expensive for locals (Zwam, 2016). Another problem that vacation rentals seem to cause is nuisance from tourists. The alderman of Amsterdam states that nuisance is just a matter of perception and that it is in the nature of Amsterdam residents to complain. A member of De Vereniging van Vrienden strongly disagrees and thinks that residents complain because they have a strong connection to the city so they care about the developments. Besides, it takes effort to officially complain so it is not in the nature of inhabitants (Kruyswijk, 2015; Zwam, 2016). On their website, the municipality has admitted that it cannot and does not want to obstruct the growing stream of tourism because this is not in line with the values of the city (international, open, inclusive and hospitable) (Gemeente Amsterdam, 2015). However, due to criticism and complaints from residents and entrepreneurs, the project Stad in Balans (“city in balance”) has been established in order to manage the growing number of tourists. The project has four central focus points, the first one is to create more quality and diversity in the shopping and hospitality industry. The second focus point is to reduce nuisance and create boundaries regarding tourism growth. Third point is to spread visitors over the entire city, and the last focus point is to create more space on the streets and in the urban areas. The new city council recently announced plans for additional measurements: decrease the maximum amount of vacation rentals (Airbnb) from 60 to 30 nights per year and even forbid vacation rentals in the most crowded districts. Also there will be no boarding points for touring boats in the city centre and touring cars may not leave the ring Amsterdam to the city centre. Finally the plans to build a new terminal

for cruises might be cancelled (Nederlandse Omroep Stichting [NOS], 2018; Van Weezel, 2018).

### **Effects of tourism**

Many researchers stress the importance of tourism since it increases the local and national GDP and creates jobs. For a complete assessment of the benefits, the direct, indirect and induced tourism spending should be taken into consideration. Examples of indirect spending are investments (building a hotel, for instance, contributes to a rising GDP) and suppliers earn money that they will spend again. Induced spending is about what both direct and indirect employees of the tourism industry spend; think about food and clothing for instance. According to the WTTC (2017), the total contribution of tourism to the GDP in the Netherlands in 2017 was \$40.1 billion, whereas the direct contribution was \$14.5 billion. This means that for every dollar that is directly spent on tourism, 2.8 dollars contribute to the total GDP. The same sort of multiplier principle can be applied for job creation. In 2016, tourism created 446 direct jobs, whereas the total number of jobs created by tourism was 677, resulting in a multiplier of 1.5. Besides these positive impacts, tourism can have downsides as well. These downsides start to dominate as soon as the number of tourists gets out of control and mass tourism occurs. As stressed in the introduction, mass tourism causes dissatisfaction among residents since it disrupts their lives. Tourists also use many resources such as water and food, which cause environmental pollution. Also the airplanes tourists use to come to Amsterdam are troublesome in terms of noise and CO<sub>2</sub> emissions (Bakker, 2018).

### **Resident attitudes**

According to Gursoy et al. (2009), the reason that positive tourism impacts seem to outweigh the negative impacts has to do with the strong relation of positive economic impacts. Supporting this statement, Yoon et al. (2001) have researched the relationship of economical, social, cultural and environmental impacts. Findings show that economic and cultural impacts are positively related to the total impact. The most significant correlation is the economic impact (0.42), implying that residents believe that tourism is beneficial in terms of job creation, investments in the local community and economical benefits for locals (as result of an increase in GDP and jobs). Ko and Stewart (2002) found that economic satisfaction has the highest positive correlation compared to other factors.

Social and environmental impacts seem to be more negatively related towards residents' attitudes. Of the social and cultural impacts, the factor of "improves understanding and image of different communities/cultures" was most beneficial (0.55), whereas "increases alcoholism, prostitution, and sexual permissiveness" was perceived to be the most negative factor (0.70). This difference is in line with the statement that negative social factors have a stronger relation to overall perception of tourism than positive social factors. The "increases alcoholism, prostitution and sexual permissiveness" factor might be especially applicable to inhabitants of Amsterdam, since this city is well-known for the red light district, which provokes alcohol and drug abuse and prostitution.

### **Sustainable tourism development**

The UN World Tourism Organisation came up with one of the most cited definitions of sustainable tourism development:

[It] meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to the management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems. (Institute for tourism, [http://www.itzg.hr/en/odrzivi\\_razvoj/sustainable\\_tourism/](http://www.itzg.hr/en/odrzivi_razvoj/sustainable_tourism/))

The first part of this definition indirectly emphasises the need for long-term tourism planning by stating that protecting and enhancing opportunities for the future are part of sustainable tourism development. Strategic planning is "a comprehensive plan of action that sets a critical direction, and guides the allocation of resources to achieve long term objectives" (Schermerhorn, 1996, p. 160). Resources, skills and competencies are used in strategic planning to determine the future direction. It is important to include stakeholders in the strategic planning. According to the WTTC, involving all stakeholders in long-term tourism planning can only solve the problem of overcrowding in tourism destinations, and thus contribute to sustainable tourism development (Keeble, 1988; Clifton & Amran, 2011; Cavagnaro-Stuijt & Curiel, 2012; WTTC, 2017). Ap (1992) states that perception and the attitude of locals towards tourism are important to consider in tourism planning and depend on the success of tourism development. Long-term tourism planning is considered one of the most important implications of sustainable tourism development (Hall, 2008; Simpson, 2001). Carefully applying tourism development plans is likely to reduce negative experiences in social, economic and physical environments (Timothy, 1999). The shape, scope and character of future developments and needs must be foreseen to ensure these future needs will be met (Berke, 2002).

The main conclusion drawn from the literature is that tourism numbers are increasing in Amsterdam. Tourism has many consequences. Generally speaking, the economic factors are given priority over environmental and social factors. This is not unexpected, since the economical benefits are the strongest related positive factor towards tourism attitudes. In addition, for both the industry and the local government, the profits generated by tourism are an important source of income. However, in the context of sustainable tourism development, it is essential that value is created for society and the environment too, and that tourism is not solely a matter of money. Therefore a balanced approach is needed in order to make sure tourism is beneficial for the economy, but does not put too much pressure on the environment and society. This approach is called sustainable tourism development, and the main implications are to make long-term strategic tourism plans and to include key stakeholders in tourism planning.

### **Issues**

The critical issues that this research tries to explore are related to visitor pressure, resident resistance and destination limits. Literature suggests concepts such as sustainable tourism development, stakeholder participation and long-term tourism

planning to be crucial in dealing with these critical issues. These concepts might be considered to be the main themes of the research. Figure 2 clearly illustrates how these concepts relate to each other and it serves as the main outline of this study. The key stakeholders in this research are the community, the municipality and the tourism industry; these are the stakeholder groups that will be interviewed. Tourists are also key stakeholders but due to the fact that the resources are limited to include them in the interviews, this target group is linked to long-term strategic tourism planning. It is essential to focus on this group as well for the obvious reason that if tourists experience a destination as not enjoyable, they will stop coming and there will be no tourism to sustain. Therefore this stakeholder group perfectly fits with long-term strategic tourism planning. In order to sustain positive visitor experiences, the resources that tourists value should be maintained and value needs to be created for the economy, society and the environment simultaneously. The literature stresses that these are the main aspects of sustainable tourism development. Again it should be noticed that the aim of this research is not to solve tourism problems by applying the theoretical model, but to explore underlying reasons for overcrowding and to illustrate the current state of tourism. The situation is very complex and therefore it would not be reasonable to solve the problem. The model will be used to find out to what extent the concepts are being applied in the current tourism management of Amsterdam Oud-West, and to see what stakeholders' perceptions are regarding this model. The outcomes should indicate what the causes and results of current tourism policies are.

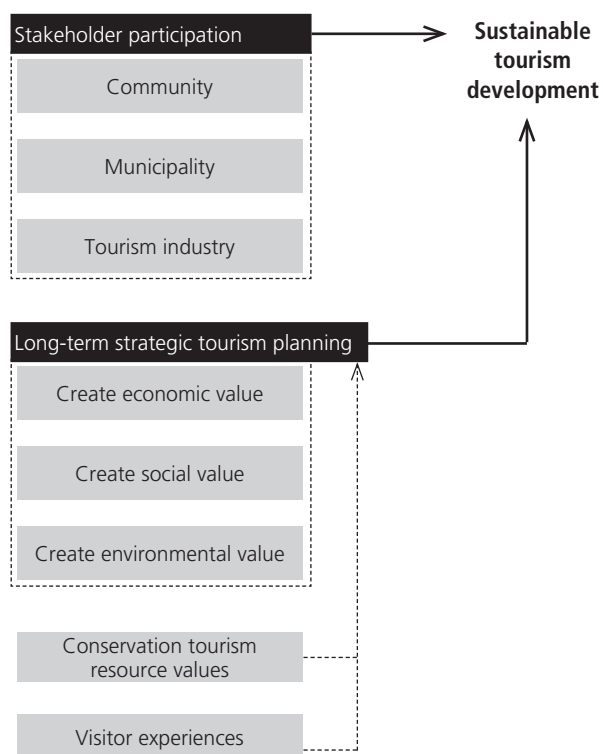


Figure 2: Stakeholders and issues

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