



Successful Business Opportunities for Sustainable Tourism

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PR Tourism Company

Steps to a successful opportunity

- Ultimate goal of project
- Relationship to other projects
- High-level timing goals
 - Step 1: Assess Your Project
 - Step 2: Develop a Business Plan
 - Step 3: Prepare Financial Statements & Find Economic Backing
 - Step 4: Environmental Impact Assessment
 - Step 5: Procure Government Approvals
 - Step 6: Start Up Operations

FOR MORE INFO...

Ecotourism Planning Kit:

www.hawaii.edu/pbcpr/resources/ecokit.htm



Sustainable Tourism... Without Tears

- **What are the major issues?**
 - **Community**
 - **Environment**
 - **Resources**

FOR MORE INFO...

See “Guías para el Diseño de Instalaciones de Ecoturismo y Turismo Sostenible”, PR Tourism Company

Sustainable Tourism... Without Tears

- **How to address these issues:**
 - **Use the design Guidelines of the PR Tourism Company.**
 - **By complying with the guidelines your project may qualify for economic and permit procurement benefits, among others.**

FOR MORE INFO...

See “Guías para el Diseño de Instalaciones de Ecoturismo y Turismo Sostenible”, PR Tourism Company

Sustainable Tourism... Without Tears

- How to address these issues:
 - Your project may be classified, according to it's "greenness" as a:
 - Sustainable Tourism Facility: *"Light Green"*
 - Ecotourism Facility: *"Medium Green"*
 - Exemplary Ecotourism Facility: *"Heavy Green"*

FOR MORE INFO...

See "Guías para el Diseño de Instalaciones de Ecoturismo y Turismo Sostenible", PR Tourism Company

Sustainable Tourism...

Without Tears

- What are the major obstacles?
 - Money (Budget)
 - Time (Schedule)
 - Performance (Quality)



Sustainable Tourism... Without Tears

- **An Obstacle or an Opportunity?**

**You cannot and should not depend solely
on Government Programs!**

Sustainable Tourism...

Without Tears

- **What are the best practices (strategies)?**
 - **Study successful precedents**
 - **Occam's Razor Principle**
 - **All else being equal, the simpler theory is preferable or...**
 - **The simplest explanation is the most likely or...**
 - **Do not increase the number of causes beyond what is necessary, to explain something or...**
 - **Do away with superfluous things.**

FOR MORE INFO...

See "Guías para el Diseño de Instalaciones de Ecoturismo y Turismo Sostenible", PR Tourism Company



Sustainable Tourism... Without Tears

- What are the best practices (strategies)?
 - Share your insights, hopes **and responsibilities** with the community
 - The enjoyment of nature requires very **little infrastructure** ...so use as little as possible. If you don't need it to enjoy it...don't use it!

Sustainable Tourism...

Without Tears

- **What are the best practices (strategies)?**
Complexity and size are an important cost factor!
 - **A HOTEL is more complex than an ECOLODGE**
 - **An ECOLODGE is more complex than a CAMPING Facility**
 - **A CAMPING facility is more complex than BIRD WATCHING**
 - **BIRD WATCHING is more complex than CREATIVE LEISURE**

Competitive Analysis

- **Competitors**

- All things being equal, (as they should if little infrastructure is required and environmental and community concerns are addressed) service will be a priority factor.
- Simple as it may seem...”Address Ecotourism to Ecotourists.”

- **Strengths and Weaknesses**

- Measure your strengths and weaknesses relative to competitors

Competitive Analysis

- **Life Cycle Cost analysis:**
 - Operational costs are much higher than design and construction costs combined through the facility's operational life span.

FOR MORE INFO...

US Green Building Council: www.usgbc.org

Competitive Analysis

- **Benefits of a Sustainable Tourism Facility may include:**
 - Reduced operational costs
 - Increased work productivity
 - Reduced absenteeism and turnover
 - Better work environment
 - Higher worker satisfaction

FOR MORE INFO...

US Green Building Council: www.usgbc.org

Competitive Analysis

- Benefits of a Sustainable Tourism Facility may include

increased facility valuation:

- Using the income-capitalization method:
- $ASSET\ VALUE = \text{Net Operating Income (NOI)} \div \text{the Capitalization Rate}$.
- If the Cap Rate is 7%, multiply the reduction in annual operating costs by 7 to calculate the increase in the Sustainable Tourism Facility's asset value

FOR MORE INFO...

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Competitive Analysis

- **Benefits of a Sustainable Tourism Facility may include increased lending capacity through **energy efficient mortgages**:**
 - An energy mortgage increases a consumer's buying power by enabling mortgage lenders to count the monthly energy bill savings that a facility's energy efficiency features deliver as additional income.
 - There are two kinds of energy mortgages: energy-efficient mortgages and energy improvement mortgages.

FOR MORE INFO...

www.homeenergy.org/consumerinfo/finance/financing4.html

Creative Sustainable Procedures

- Develop procedural differences from traditional tourism products that may bring cost benefits and ease feasibility:
 - Ecotourists may wish to do more things by themselves.
 - Ecotourists may want less interference from facility personnel
 - Being behind on track in a sustainable tourism facility construction schedule may become an interpretative experience opportunity!
 - An ecotourism facility may become an educational tool for other developers of sustainable tourism.
 - Look for traditional standards that need to be ignored.
 - Look for traditional assumptions that need to be changed.



Creative Sustainable Procedures

- **Above all, dare to be creative!**

- **Thank You**
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