

Task 7

The Environment

- Air Pollution:

This is the pollution that the business may emit into the atmosphere, as well as the constructors producing carbon dioxide as they build the new investment. If this is the outcome, then there are many affects it will have on the natural surroundings of the area as for example, acid rain may be created which will lead to the destruction of forestry area's and also plants and habitats for natural wildlife. This can also affect neighbouring countries as clouds move through the winds and also threw streams of rivers.

Once the investment has been built, pollution will be cause by more traffic being on the roads, as there will be more locals who are trying to make money of the tourists by showing them around, and also this lead to the area being more congested.

How to Minimise This Negative Factor

Show Airlines will make sure that their wastewater will be disposed of properly and safely without dumping or spilling it. They can also tell tourists to try and use as much public transport as they can, but I feel this will not make a difference as if you are new to an area, you may not feel safe taking public transport everywhere as sometimes you may not know where you are going, where as if you take a taxi, you know exactly where you are going, and if not then the taxi driver can always help you.

- Noise Pollution:

Businesses such as hotels and flights are related with the tourist industry have had many problems with noise pollution. Local towns are affected when tourists are not considerate due to lack of knowledge of the surrounding area and community. This can also cause area's to become deprived and then also attract the wrong crowds and customers to the business rather than the ones they are directly marketing to. For example people tend to drink alcohol when they are on holiday, this can lead to people acting very violent, and disruptive causing the area itself to look like a bad place to go and making the people there look bad. With this factor, we can also gain congestion that this causes problems for locals to move around the area and can also cause the accident rate in the city to increase, which can cause tax's and insurance rates to increase.

How to Minimise This Negative Factor

Show Airlines can minimise this factor by warning people of the disruptions they can cause without them knowing, and also to tell tourists to behave in a reputable manor and taking into consideration that they are in somebody else's town who live there everyday where as the tourists themselves are just there on holiday. I think this action is reliable as talking to somebody can have a good and direct affect on people.

Waste Pollution

There will be a lot more waste and rubbish being created as more and more people are attracted to the area due to the new investment. This will mean the streets will become filthier and less action may be taken to prevent this. Rubbish will be thrown around everywhere as tourists will not care as it is not their town but somebody else's. A lot of violence may be caused due to the consumption of alcohol. As there will be more cars around, it will cause the area to look dustier. As a result of the area becoming a little more polluted with waste, this may lead to more diseases being created in the city meaning more people will be ill. As a result more doctors' surgeries may be acquired. Rubbish will also mean scavengers such as rats, dogs, cats and foxes will be attracted to the area. This will lead the local government to put up taxes or as a result charge Show Airlines to pay more tax to cover these costs.

How to Minimise This Negative Factor

To minimise this factor, the local government may have to start putting more waste bins around the area. Also they will need to hire more cleaners for the streets, and also rubbish trucks. The government can also create a law which indicates not to litter the streets and if doing so, then they may have to pay a fine on the spot. This will have a positive affect as people will not want to pay fines so they will think about littering before they do so. Show Airlines can also put up posters around their hotel outlining not to litter and telling them the consequences if they do so.

The People

The positive factors of this on people are that it will create jobs in the local area for many whom could be unemployed. Investment, for example in Turkey will create jobs as well as skills that they may already have. If an investment were to take place in Turkey, then Show Airlines would recruit more staff to the business. It would also economically be good for the local industry, as local building companies may be required to build the future investment.

The local people may also be at an advantage as they will be seeing a lot of people from other people from around the world coming to visit their city. This will lead them to know a little bit more about the outside world, especially for people who cannot afford to travel around the world. Local business men and women will be motivated to learn new language skills in order to make a bigger profit, as if they cannot communicate with the tourists then they will not make as much money.

Competition may also be created in the area between local businesses. This creates the service to improve and also to become cheaper. This helps customers and can also help the local area as it will attract new developers and increase job prospects. With competition, goods and services tend to be at the highest quality as businesses thrive on repeat business and want you to recommend them to friends and family as word of mouth is one of the most powerful methods of advertisement in the market.

As a whole, it will make the area to be more developed. This is because the area may start to develop their local infrastructure creating new roads, telecom and electricity, in order for tourists to like the area to maybe bring them back in the future. The local people may start to learn more about their own culture and past as tourists will want to know about this. This will also lead to new jobs being created and also museums may be built for them to come and see.

As the area may become more populated, there will be a bigger need for security. This will create more jobs in the police force for example. This will also

create a safer area, leading to people being more happy and confident to do whatever they want.

Negative Factors

People in the local area may tend to start getting angry in seeing tourists coming into their area and not respecting it. This may lead to a lot of unnecessary violence which could make the business look bad as people will start to hear about this violence and may not want to visit that certain place any more. Also a lot of younger people living in the area may find that making a living of tourism and impressing tourists to buy things from them is a way of life and may stick to that profession where as if the business had not been set up they could have been doing more constructive with their lives.

How to Minimise This Negative Factor

Solutions (Tourists)

- Act to support cultural diversity.
- Engage in activities that add value to the community.
- Don't do activities that deteriorate the environment.
- Don't engage in illegal activities.
- Act to disperse the benefits.
- Patronize locally (community) owned enterprises.

Solutions (Local people in the area)

- Support the traditional cultural legacy.
- Training and education in local culture, history, natural science, etc.
- Select development and activities that draw from local traditions and add value to the community.
- Don't promote activities that deteriorate the environment.
- Don't engage in illegal activities.
- Adopt a program to disperse the benefits.
- Patronize locally produced products and locally (community) owned enterprises.
- Make business and foreign exchange transactions transparent and efficient.

The Place:

- Creates A Community or Brings New Prospects:

It will attract new investments into the area if a large business organisation does well in the area. This is because every business would want to make money in the tourist business and seeing one organisation doing well will push them in the same direction. With companies such as Show Airlines, this will bring in new skills and may also invest into schools and colleges to help funding in to courses to do with tourism. This will attract a positive reputation of the company to others as it is seen to be investing in people and gain positive advertisement. If large business's are attracted, it will also attract a large source of migrates and this will increase job prospects of the new business and small business to open and will offer more jobs to the locals. This will lead to new customers, which Show Airlines may want to target.

Negative Factors

Destroy Landscape:

If the business is set up in an area where the local community may find attractive as a natural landscape, then the business may find it hard to recruit at start, as the people may not be happy about them starting a business there. This will also affect the natural environment of the way people and animals live. They may be affected greatly by this, for example, if the business was to build in a forest, they would have to cut down a huge amount of trees, leaving birds and other animals homeless. Also pollution from vehicles and road links may take away natural habitats.

How to Minimise This Negative Factor

Show Airlines can minimise this factor by planting new trees and plants around the area to make sure the area still looks like a landscape, and also they could may be build around certain animal inhabited areas as some of these animals may be on the verge of distinction. This will have a major affect on Show Airlines as a business as people will see that the organisation is trying to do its best to keep the local area as clean and as the same as possible.

Areas Where Children May Play

If the investment is build on a site such as a park where children go and play, then children may be forced to play elsewhere such as on street corners which can be very dangerous as they could get run over or even kidnapped. This would lead the accident rate to go up and would also lead to families not to be attracted to the area as they would have know where to take their children to play.

How to Minimise This Factor

If the investment is to be building in a park or where construction may destroy play areas for children, in return Show Airlines can then build play areas for children leading the children not to go elsewhere. This will have a positive affect in the place where they are investing as people will be shown that even if places are taken away, the business are trying to make up for it.

Ways in Which Show Airlines can Minimise Externalities

Tax:

This will aim to ensure that local business's pay for their waste and also increase the price for how much it costs to provide the service. For example, it may cost £20 a room, and each room wastes an average of 35 units of supplies, then the local government may charge the hotel may be £2 for every 5 units of waste. This will work as a positive factor for the hotel, as they will be more environmentally friendly, and so will not need to pay the tax. Taxes could also be reduced if Show Airlines were to use recycled paper and other recycled products to reduce any waste.

Government Regulation

If the local government put in place laws that business's can only start to build new investments in specific areas, and must obey rules and regulations or fines may be put in place, and also put in place certain faculties so the local people can also benefit, then this would balance out the equation of the new business not coming into an area and ruining the natural agriculture set up by its people. For example, if the Turkish government put in place laws on pollution and controlled the amount of wastage produced and charge the business for this, it would enable them to control waste and the stoppage of random dumping.

Consumer Pressure

Consumers are forcing many companies to reconsider impacts that they were going to uptake. Show Airlines may be forced to stop building or expanding along the coast, as consumers may feel that they are too large and may be sending small business's into bankruptcy. From this consumers may stop using their service, which may force Show Airlines to take action and stop the development.

Compensate the Locals

Firms may be asked to compensate on areas where the development of the investment has forced the destruction of that area. This may lead the business to create green field areas which they may have destroyed. This may be done so that children have somewhere to play, and also elderly people have somewhere to go and relax. Show Airlines may also be forced to invest in schools and local youth centres so children have somewhere to go. If the business were to build a hotel in a public area where the local community live, the people may find the noise pollution has risen and Show Airlines may have to compensate this by provide they people with double glazing windows to their homes.

Conclusion

I feel that the best way in which Show Airlines can minimise the negative externalities which may cause them a lot of unexpected costs, is to put in practice benchmarking so that they don't have to work against them. Also this will show that the company is considerate to other nations and take into account that there are boundaries set in place. I think the main areas where Show Airlines should concentrate on, is to compensate the local community. This will increase awareness in the community and also bring in a better quality of life. For example if the local people are not happy with the business being set up, tourists who are to live at the hotel, once it is build may find the local people are very rude to them, this will have

a negative impact on the business has intern the tourists will not like the area and may think about going elsewhere. If the company do decide to compensate the locals, then they may find it will lead to better conditions to the surrounding area. They may not have to give the local's money, but set up ways that the locals can make money from the business being set up, for example, when tourists come in the area, the business can maybe employ local people to take them around the area, show them the local landscape and natural habitats.

If the business feels they do not want to compensate the local people, then they can maybe build the investment elsewhere. May be in a quite area where there may not be a lot of people at all. This will reduce costs as the land will be a little cheaper as it is in a quite area. This can be at an advantage to the business as they can maybe build everything the tourists may need to keep them happy on this site and will also cause the local people to be more happy as there will not be as much noise pollution and waste being created in the city surrounding area. They can hire out bus's and coaches which may go to the city and other surrounding areas which the tourists who come to visit can use.