Success and Constrains Factors among Nature-Based Tourist Companies in Iceland

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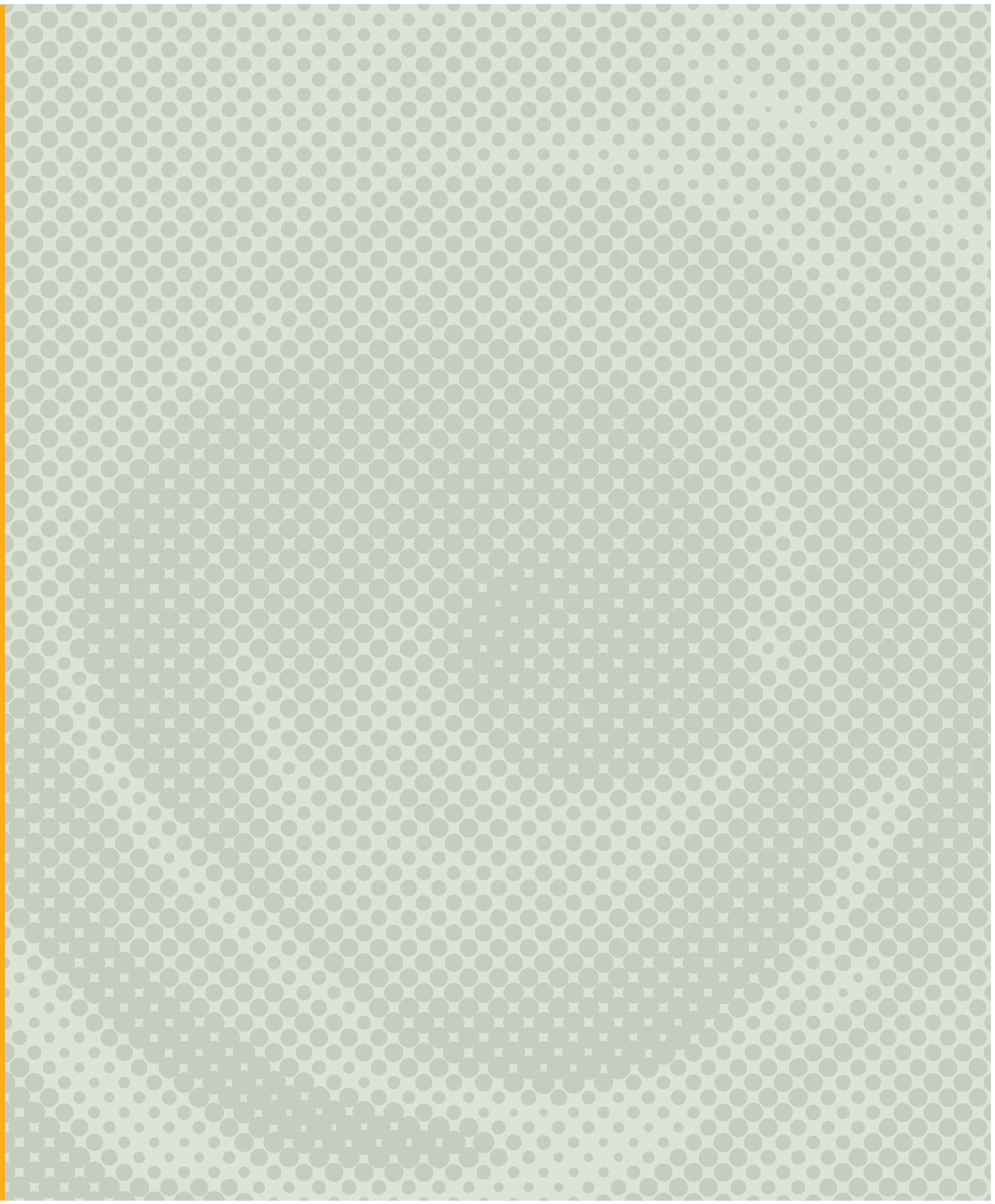

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ABSTRACT This paper deals with the main success and constraint factors among Icelandic nature-based tourist companies. The main tourist attraction in Iceland as in other Nordic countries is nature. Over the last decades, nature-based tourism is believed to have been a growing industry and at the same time tourism in Iceland has grown rapidly. One of the greatest challenges working with the theme of nature-based tourism is lack of definitions of the concept. The survey design was a joint work with Iceland, Sweden and Norway. The Icelandic survey was translated and localized with a help from professor from University of Iceland and not all question are exactly the same as in Norwegian survey. A total of 90 companies (37%) of a valid sample of 241 responded to a web survey. The main finding was that employees play a large part in companies' successes. In fact they scores higher than nature itself. Employees have also a great effect on the constraints a company faces, in the form of lack of knowledge and recruitment. This study shows that only small differences were found between what Icelandic companies deal with in terms of constraint and success factors no matter the size or location.

Key words: Nature-based tourism, Activity, Nature, employees, outdoor recreation, lifestyle entrepreneurs

INTRODUCTION

For decades nature has been one of the main tourist attractions in the Nordic countries (Fredman & Tyrväinen, 2010). This has in combination with the fact that nature-based tourism is believed to be growing faster than tourism in general, providing new and further opportunities for nature-based tourist companies both in Iceland and Scandinavia (Bell, Tyrväinen, Sievänen, Pröbstl, & Simpson, 2007; Fredman & Tyrväinen, 2010; Mehmetoglu, 2007; Tangeland, 2011).

In general, there is a lack of knowledge concerning the companies operating in this nature-based sector and the supply of activity they offer (Lundmark & Muller, 2010; Fredman and Tyrväinen, 2010; Sæþórsdóttir, 2011). Numerous reasons might be causing this lack of information nevertheless there are two reasons that are the most probable causes. First, the boundaries between nature-based tourism and outdoor recreation are very unclear, given that nature-based tourist activity is usually based on outdoor recreation (Tangeland, 2011; Vespestad & Lindberg, 2011). The second reason might be that there is a lack of a clear definition regarding what nature-based tourism really consists of (Fredman & Tyrväinen, 2010), and therefore it is hard to measure.

The definition of nature-based tourism used in this study comes from Fredman and Tyrväinen (2010): *"Nature-based tourism is human activities occurring when visiting nature areas outside the person's ordinary neighbourhood"*.

Simultaneously as the interest for nature-based tourism is growing, the competition also increases. Therefore, the need to know more about the structure of the industry grows. What Iceland has to offer, how big the companies are and where they are located. All this information is important if the goal is to build up a good tourist industry in the country. It is also important to know the reason why companies succeed and why not, as well as what can be done to improve the environment for the Nature-based tourism sector.

Common characteristics of nature-based tourist companies are that they are often located in beautiful rural areas which can be an inspiration to start a business and continue living in the area (Peters, Frehse & Buhalis, 2009; Burns, 2001; Fredman & Tyrväinen, 2010; Mehmetoglu, 2007). They also depend on some kind of natural resource that people want to see and experience, e.g., the wilderness, glaciers or rivers (Fredman & Tyrväinen, 2010; Hall & Boyd, 2005; Valentine, 1992).

Furthermore, is it interesting to see whether Icelandic companies fall into the same common characteristics as similar companies in other countries (Peters, Frehse & Buhalis, 2009; Burns, 2001; Fredman & Tyrväinen, 2010; Mehmetoglu, 2007). In addition, the size of the companies will be looked at to see whether it makes a difference for the companies. The literature shows that there are various differences between small and large businesses and it is interesting to show whether this study shows this difference (Storey & Greene, 2010).

The aim of this study is twofold: (i) to provide statistics about the characteristics of nature based tourist companies in Iceland, and (ii) to investigate the main success factors and barriers for these companies. Moreover, to find out whether there are different constraints and successes between large companies and smaller ones. In addition, to find out whether there are differences between companies located in the capital as opposed to the rural areas outside the capital area.

The main reason for this sub question is that tourism is often believed to by a savour of the rural areas and it could be interesting to find out whether companies located in rural areas are any different from companies located in the capital.

Nature-based tourism

One of the great challenges working with the concept nature-based tourism is the lack of one definition that people can agree on (Fredman & Tyrväinen, 2010). Many different definitions have been made over the years but most have included the same fundamental issues, such as it takes place in nature away from home and involves some kind of activity and experience of the natural environment (Fredman & Tyrväinen, 2010). These topics are all related to Valentine (1992) who suggests that nature-based tourism are experiences depending on nature, enhanced by nature or that nature is subordinate but makes the tour special.

Because nature-based tourism is related to outdoor recreation some of the activity can been execute free in form of outdoor recreation but the same activity can as well be perform in commercial tourist context as a nature-based tourist activity (Tangeland & Aas, 2011).

Nature-based tourist companies

What is a nature-based tourist company? What general characteristics do such companies have and are they usually small or medium sized? If nature-based companies are located in rural regions, they often coordinate the tourist activities with other types of business depending on the seasonality in this kind of business (Fredman & Tyrväinen, 2010; Mehmetoglu, 2007).

Those who own nature-based companies are often characterized as lifestyle entrepreneurs because lifestyle entrepreneurs usually combine their business and interests, often in some kind of outdoor activity (Ateljevic & Doorne, 2000; Fredman & Tyrväinen, 2010). The difference between lifestyle entrepreneurs and other entrepreneurs, is that profit is not necessarily the main goal for the business (Ateljevic & Doorne, 2000). As well as they often choose to live in rural areas and debate to the community and sustainability both of environmental as well as sociocultural (Ateljevic & Doorne, 2000).

Nature-based tourism involves activities that are in some way dependent on nature in addition to be closely related to outdoor recreation (Fredman & Tyrväinen, 2010; Hall & Boyd, 2005). Like in other tourism the action must take place away from home (Hall & Page, 2009; Kamfjord, 2001). This includes, in addition to the more traditional outdoor activities in Iceland, such as hiking horseback riding and fishing, activities such as nature tours, rafting and cycling.

Success and constraint factors in tourist businesses

Different definitions are applied for what is regarded as success between different companies and owners. Success can be defined by growth, income or numbers of employers (Morrison, Carlsen, & Weber, 2010; Storey & Greene, 2010). Others have a goal just to survive the first year. No matter how success is defined, everyone wants to be successful.

In tourism different factors are often used to define success, such as the guests' experiences/satisfaction of the tours, satisfaction with work and experienced level of control. The group of company owners who measure success this way are also named "The Happiness Seekers" (Lundberg & Fredman, 2011).

In a Swedish study Lundberg & Fredman (2011) found that majority of nature-based tourist company owners placed an emphasis on lifestyle goals rather than profit. In general, owners of small companies are often looking for lifestyle reward rather than financial gains

(Selby, Petajisto, & Huhtala, 2011). In fact, not many small tourist companies fall into Schumpeter's (1934) definition of entrepreneurs but as mentioned before they are often small and the business is built around interests in the activity or location (Peters, Frehse & Buhalis, 2009).

Constraints can be described as something that stops companies from achieving their goals. Constraint factors among companies are often more external factors and perhaps a common logic is to say that constraints are something companies can't influence or change easily. Lundberg and Fredman (2011) describe constraints as elements that the government can often influence but can however be difficult for the companies to change. The barriers or constraints companies face can be different according to location, size and market.

Storey & Greene (2010) list key differences between small and large businesses, in addition to obvious elements they show that small business are generally owned and managed by the same individual, are often "lifestyle oriented" and more flexible. All these factors fit in well with the definition of what nature-based tourist companies are.

Nature and protection

Given the fact that nature is the main resource of the industry, it makes it valuable as it is without any outside changes. However, different stakeholders, having various motivations, often wish to use the nature in different ways (Sæþórsdóttir, 2011). This makes the concept of *use and protection* extremely confusing. These conflicts have become visible both when non-extractive uses like tourism were planned as well as when new operations were to be built (Lundmark & Stjernström, 2009). The causes of the conflicts are often different opinions on which sites are best suited for local and regional development. The governments have recently started to use land protection in regional development resolution more frequently (Hall & Boyd, 2005; Mose & Weixlbaumer, 2006). The reason is generally to increase the tourism in these regions (Beunders, 2006).

The Icelandic government is no different and in the regulation for Vatnajökull National Park, Iceland's newest and largest national park, it is written: *This type of land use (protection) is made for strengthening the economics near the park and should therefore be looked at as an important tool to stimulate the region in the park area* (Ministry for the Environment and Natural Resources, 2008). It therefore appears that this action has been made to make the tourist industry in the rural areas of Iceland stronger.

Whether or not protection is a good tool, it is clear that Iceland's unspoiled nature and wilderness areas are important resources to the Icelandic tourist industry and this unspoiled nature and the large wilderness areas can be used as a unique wilderness experience and are profitable (Nash, 2001; Sæþórsdóttir, 2011).

Tourism in Iceland

Iceland is located on the Mid-Atlantic ridge and is one of the most volcanically active countries in the world, with an eruption frequency of 20–25 per century (Thordarson & Larsen, 2007). However, over the last century there have been several outbursts, especially in the last few years (Icelandic Met Office, 2012). This resent outburst did have some effect on air-traffic during the eruption. Nonetheless, numbers from The Icelandic Tourist Board show that disturbances from the eruptions have not reduced visitor numbers (Icelandic Tourist Board, 2012b).

A large area of Iceland is defined as highland and wilderness or "Hálendi/óbyggðir", which provides the guests with unique opportunities to experience solitude in the great open wild. In general, the wilderness is owned by the government (The Alþingi, 1998). Despite this, everyone has the right to travel in the wilderness, except if there are some special restrictions in order to protect certain areas (The Environment Agency of Iceland,).

Tourism in Iceland has a long history with the main attraction being the remarkable landscape and nature (Sæþórsdóttir, 2011). In the last decades, the demand for nature-based tourism has increased and tourists are constantly looking for more activities as well as new ones. At the same time, the Icelandic tourist industry has grown rapidly with an annual increase of foreign visitors of over 7% over the last ten years (Icelandic Tourist Board, 2011).

In 2011, more than half a million visitors came to Iceland and in 2012 that number has increased to 650,000 tourists (Icelandic Tourist Board, 2012b). In January 2013, the Icelandic population was a little over 320 thousand people (Statistics Iceland, 2013). No new figures are available as to how many are working in the tourist industry today, but in 2009, approximately 5.2% of all jobs in Iceland were related to tourism (Statistics Iceland, 2011).

When looking at studies from the Icelandic Tourist Board, it is clear that the Icelandic nature is the main attraction for tourists visiting the "volcano island" and over 80% of all guests said that they travelled there because of the nature (Icelandic Tourist Board, 2011).

METHODS

Sampling of businesses

The 250 Icelandic nature-based companies contacted in this study were registered in 2012. The companies were listed by contacting all Regional Marketing Offices in Iceland as well as contacting the Icelandic Tourist Board, where all registered companies in Iceland are listed. They were asked to list all nature-based tourist companies in each region. The marketing offices were contacted by phone and then an e-mail was sent to them with information about the project and a definition of what nature-based tourist companies were, as used in this study.

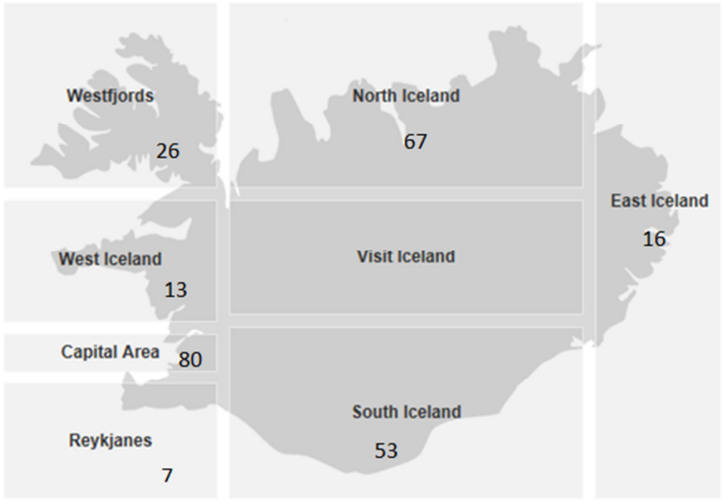

Figure 1. How Iceland is divided into seven regions and how many companies were registered in each region in the pre-study.

After the reply, to check the quality of the feedback from the Marketing Offices, an organized search was made on their web pages and a complete list was made with all the companies that fitted the definition. Finally, a systematic internet search was made to find companies that were not on the web pages. Search on the web used the words. : "*Iceland"; plus one of the following expressions: hiking, horseback riding, whale watching, bird watching, boat tours, sea angling, jeep tours and glacier tours*. However, only three new companies were found using web search.

Definition

In order to be considered a nature-based tourist company for the purposes of this study, the tourist companies had to meet the following criteria: Companies needed to offer nature tours including some kind of activity in the nature e.g., activity, recreation or leisure in the nature. That is activity that companies offer by themselves and receive payment for it (Fredman & Tyrväinen, 2010). This meant that even though accommodation offered marked hiking paths it was not considered nature-based tourist company if they were not paid for guiding or a similar service.

Companies using developed areas and offered, e.g., downhill skiing, golf and swimming pools were **not** included, in addition to destinations that offered hiking or fishing permits only and no additional product. For the definition of nature-based tourism used in this study, transport and accommodation are generally not included. Nevertheless, these might be included if the accommodation is defined as living close to nature (e.g., nature camping) or when the transport itself is a part of experiencing the nature, such as glacier jeep tours (Lundmark & Muller, 2010).

Information collected in the pre-study of spring 2012 involved company names, addresses, e-mail and company web pages. In addition, the companies were sorted according to where the companies operated and what kind of activity they offered.

Survey design

The design of the survey was combined with parties from Norway, Sweden and Iceland. The questionnaire used in the Icelandic survey was similar to the one used in the Norwegian study, however with small adjustments to match the Icelandic market. In order to achieve better responses rates and to get a survey that fitted the Icelandic market, a professor from the University of Iceland was involved in the design of the survey, and signed the e-mail the companies received.

In this process Dillman, Smyth, and Christian (2009) were used as a guideline on how to perform an internet survey and to give ideas how letters should be written and how often a reminder should be sent out. In this study, similar questions about success and constraint factors were used as in the study conducted by Lundberg and Fredman, among nature-based tourist companies in Sweden (2011).

However, given the length of this survey, the success and constraint factors from the factor analysis in their study were used as questions in this survey. This meant that all the variables they put together in one factor were used as one question in this study. By using this method, it is believed that the difference between Iceland, Norway and Sweden is reduced. However, it must be kept in mind that questions that were combined were in general similar or regarding the same theme.

In this survey, the companies were asked to range questions concerning successes and constraints on a scale from one to seven. One is *not important* and seven is *very important*.

Companies received questions concerning ten success factors and eight constraint factors. The Icelandic survey was considerably shorter than both the Norwegian and Swedish survey and only asked about factors needed for this thesis. Nevertheless, the questions in the survey were taken from the common design survey made for the three countries but with a little change to fit Icelandic market and Icelandic language. The survey is found in appendix translate to English.

Data collection

A web-survey was sent out in February 2013 using the QuestBack survey tool. All 250 companies included in this study received the survey by e-mail. The survey was meant for owners or managers of the companies. They received information regarding the enclosed project and were asked to answer the survey.

In the first e-mail that was sent there was a link to the survey and general information about the study (see appendix). It also clarified who the researchers were and why it was important to get this information. In addition, three reminder e-mails were sent out to the companies and finally a thank you remind letter, also with a link. The first e-mails were sent on a working day but reminders were both sent out on the weekend and on a working day to reach different types of companies.

Because of the master's project time frame, the survey was not open for a long time, or 15 days. The first e-mails were sent out 26th February and one week later the first reminder e-mails were sent and then three e-mails were sent with four days in between.

The results show that more than 14% respondents answered the first e-mail and then 6.4 % for the first reminder, Thereafter, fewer responses came with the reminder e-mails. A total of 90 companies answered the survey though nine companies were excluded from the survey. That makes a valid sample of 241 companies and the response rate 37%. Response rate vary between different regions (Table 1).

The nine companies that were excluded were respondents that didn't fit the definition or companies that were not in business any more or were in a different kind of business.

Table 1. Responsrate after location (Regions)

	Number of answers	Base for the survey	Response rate
Capital areas	23	80	29 %
South	15	53	28 %
East	9	16	56 %
North	21	67	31 %
West	5	13	38 %
West fjords	13	26	50 %
Reykjarnes	1	7	14 %

Data analysis

The statistical analysis was performed by using SPSS software, with the general significance level set to $\alpha = 0.05$. Missing value variables were eliminated in order to achieve more accurate statistic results. The data analysis consisted of three steps. The first step was descriptive statistics to give a general characterization of nature-based tourist companies in Iceland.

The second step was to find out if there were any differences between groups. The first group comparison were between companies with low gross income and high, where low gross income was income less than nine million ISK. The second group made consisted of companies registered in the capital and nearest surroundings and companies registered outside the capital or in the countryside ("Landsbyggðin").

The third step in the survey, companies were asked to score success and constraint factors, in terms of their importance to achieve their goal. Scores between groups were compared using the one-way ANOVA test. All statements were measured on seven-point scales.

RESULTS

Characteristics of nature-based tourist companies in Iceland

This study shows that an average nature-based tourist company in Iceland has 10.5 employees during the high season of June, July and August. Their most popular tours are hiking with a guide or horseback riding (Table 2). Most companies are growing (Table 5) and are managed or owned by a male who has completed college or three or more years at university (Table 4).

Table 2. The most offered activities by NBT companies in Iceland

	Frequency	Percent
Hiking with a guide	32	35.6%
Horseback riding	29	32.2%
Jeep tours	26	28.9%
Hiking (preparation)	24	26.7%
Bird watching	23	25.6%
Boat tours/whale watching	16	17.8%

Note: Some companies offer more than one activity

Many companies offer more than one activity while others only one. The percentage however, does not say anything about how important these activities are when it comes to income. In the question on which activities are most important for the companies regarding income, horseback riding scored the highest and then jeep tours. Hiking was the third most important activity. Total of 19% respondents did not answer this question.

The majority of businesses receive their income from tourism only. Over 55% answered that all their income came from tourism and 77.8 % said that tourism represents 70% or more of the company's income.

These findings show that most of respondents are interested in providing the customers good nature experiences and communicated with them. As well as be able to work interesting job and by independent (Table 3). All this factors are in line with life style entrepreneur's character. Profit did not get that high a score and protect areas was the item asked about, that seems to be the least important for these companies.

Table 3. Items that managers think are important for them and their businesses

	N	Mean (SD)	Median	Mode	Range
Providing the customer good nature experience	85	6.74	7	7	6
Interesting work	86	6.73	7	7	3
Communication with the customer	87	6.68	7	7	5
Safe income	86	6.56	7	7	6
Independency in work	86	6.55	7	7	4
Use local surroundings in the business	83	6.51	7	7	4
Be able to work with the things the company works with today	84	6.44	7	7	4
Be able to work in the nature	85	6.39	7	7	6
Profit	86	6.34	7	7	4
Promote sustainable tourism	78	5.85	6	7	6
Be able to provide information about conservation to the customer	86	5.69	6	7	6
Protected areas	78	4.27	4	7	6

Note: In Icelandic survey one question was made into two. First, how important are following items for you as an owner/manager? And second how important are the following items for your business?

Most managers of nature-based tourist companies in Iceland are male between 44 and 55 years old (Table 4). A large majority of the managers have attended university but the highest percent are those that are in the capital and on Westfjords. If one considers the figures of those that have either attended college or university it is obvious that most have attended tertiary education (Table 4). This shows that education among managers is quite high.

Table 4. Education completed by the managers that answered the survey

	Capital areas	South	East	North	West	West fjords	Reykjarnes
Age , mean	44	47	49	49	52	55	30
Proportion male	57 %	60 %	78 %	71 %	60 %	62 %	100 %
Attended College	22 %	73 %	33 %	38 %	20 %	15 %	100 %
Attended University	70 %	27 %	44 %	57 %	60 %	77 %	0 %
Total answers	23	15	9	21	5	13	1

NOTE: Only 87 respondents answered these questions

When considering the company's progress status (Table 5), it is clear that most companies are growing or stable. In the survey they were asked: *Which statement fits best the company's progress status today?*

Table 5. Location of the companies in Iceland regarding areas and their business stage

	Frequency	Percent	Starting business	Growing	Stable	Reducing	Stopped opperating
Capital areas	23	25.6%	4% (1)	74% (17)	22% (5)	0 %	0 %
South	15	16.7%	0 %	80% (12)	20% (3)	0 %	0 %
East	9	10.0 %	0 %	78% (7)	22% (2)	0 %	0 %
North	21	23.3%	5% (1)	57% (12)	29% (6)	5% (1)	0 %
West	5	5.6%	0 %	60% (3)	20% (1)	0 %	20% (1)
West fjords	13	14.4%	8% (1)	77% (10)	15% (2)	0 %	0 %
Reykjarnes	1	1.1%	0 %	100% (1)	0 %	0 %	0 %
Total (N)	87	96.7%	3	62	19	1	1
Missing answers	3	3.3%					
	90	100 %					

NOTE: Progress status is shown in percent and the number of companies behind.

When asked whether companies operate inside of national parks, 43% respondents said that their company operates inside national park and 54% do not. However, only 23% answered that protected areas were very important and 14% answered it does not matter at all.

Success and Constrains

To find out how companies regarded which success factors were important they were asked: *How important are these items for the business to be able to achieve the company's goal*. To find constraint factors companies were asked: *How much impact do these items have on the company's opportunity to achieve its goals.*

In general, there were not many differences between groups. In the data analysis, almost no significant differences were found between sizes in term of gross income. Overall, all the companies agree on which factors were important for them and which were not.

Four of the top five issues in success concerning direct those who are involve in the operation such as employees, managers experience, leadership and networking. The last one knowledge to local region is in many ways also related to the people involved in the operation and their experience. This outcome shows importance of competence and experience among managers and employees.

Table 6. ANOVA test on success factors, with two groups, low and high gross income

Success factor	Mean			Std. Deviation	Mode	Median	Range	F	Sig
	Low income	High income	Total (SD)						
Competence employers	6.92 (0.27)	6.77 (0.52)	6.82	0.43	7	7	2	2.06	0.16
Knowledge to local region	6.92 (0.27)	6.76 (0.59)	6.82	0,58	7	7	3	1.78	0.19
Managers experience (education, experience and interest)	6.88 (0.33)	6.56 (0.79)	6.67	0.74	7	7	3	4.05	0.05*
Leadership (managers interest and competence)	6.62 (0.80)	6.59 (0.76)	6.60	0.76	7	7	3	0.02	0.90
Network (cooperation, collaborators and membership in organizations)	6.16 (1.52)	6.14 (1.46)	6.15	1.47	7	7	6	0.00	0.96
Natural resources	6.28 (1.37)	5.96 (1.70)	6.07	1.52	7	7	6	1.78	0.42
Free access to natural resources	6.50 (0.93)	5.58 (2.02)	5.88	1.75	7	7	6	4.49	0,04*
Financial (access to finance to make investment)	4.68 (2.41)	5.56 (1.86)	5.27	2.03	7	6	6	3.04	0.09
Lifestyle of employers	5.00 (2.00)	4.90 (1.72)	4.93	1.80	6	5	6	0.05	0.83
External support (finance grants and marketing)	4.92 (2.10)	3.70 (2.24)	4.11	2.25	1	5	6	5.14	0.03*

Note: The low gross income group is companies with lower gross income than 9 million ISK. ISK numbers have 2012-value (mean value) 1 Euro = 160.1 ISK

Comparative mean tests using ANOVA ($p < 0.05$)

*Significant difference between groups

The differences between success factors for companies having low gross income (lower than nine million ISK turnovers per year) and those having a higher are small (Table 6). It is also interesting that the difference in the constraint category is not significant, it clearly shows that the difference is not large (Table 6). There are only three factors that have a significant difference, with the highest difference being for the external support factor, then free access to natural resources and finally manager's experience.

However, constraint factors were very similar in fact no significant different was found between companies with gross income lower than 9 million and companies with higher.

Table 7. The constraints among Icelandic nature-based tourist companies

Constraints	N Valid	Mean	Std. Deviation	Mode	Median	Range
Competence of employees (employees education and competence)	84	6.27	1.07	7	7	5
Recruitment of personal	83	5.75	1.63	7	6	6
External restrictions (rules and regulations, landowners and public authority)	81	5.44	1.76	7	6	6
Access to natural resources	78	5.37	2.17	7	7	6
Lack of capital	81	5.14	2.08	7	6	6
Lack of destination marketing	76	4.99	2.12	7	6	6
Lack of knowledge	78	4.88	2.16	7	5	6
Location (limited infrastructure)	80	4.5	2.13	7	5	6

The other sub-question was whether there were any differences in successes and constraints for companies' location. To find this out companies were divided into two groups, capital and nearest surrounding and other regions. This study shows there are not any significant differences between companies located in the capital and in the country side. Neither in success or in constrains.

DISCUSSION

This study was conducted as an analysis of the Icelandic tourist market the main discovery shows the importance of the role of employees in the business. This applies both for the main success and constraint factors, that is factors that manager believe are important. When looking at the companies' progress status it is clear that the majority claimed that they are in a growing stage or unchanged. This finding might be in line with increasing tourism in Iceland during the last few years (Icelandic Tourist Board, 2011).

Whether they are growing because they are optimistic or to response demand is difficult to say. But it is clear that many new tourist companies are starting business.

The fiver highest scoring success factors all act on importance of employers and management. Natural resources are the fifth highest scoring factor and free access to the nature is in the seventh place.

The lowest scores are to external support such as finance grants and marketing, which seems not to be that important when it comes to success. Good competence employee have always been important to success in a business and it is perhaps more important in sector like tourism and hospitality. Way nature and free access to the nature scores not higher can simply by that in Iceland there is a lot of unspoiled nature and normally everyone have free access to it.

Finally a possible explanation way external support isn't important can by that not many finance grants available in Iceland for tourist companies.

Accordingly to success, the main constraints according to the firms are competence of employers and recruitment. That there are not enough qualified personnel and in fact there seems to be difficulties connected to recruitment in general.

If only looking into importance of employee, it is clear that all education that concerns tourism industry is important for building up the market. This is important both with regard to management of nature-based tourist companies and for the companies to be able to recruit quality employers.

These results could indicate that nature-based companies in Iceland do not experience exactly the same successes and constraints as their colleagues in Sweden. For the Icelandic companies, the employers play a greater role for the business than in Sweden. This applies both for the successes and the constraints, where competence of employers scores highest in Iceland, but below the middle in the study performed in Sweden (Lundberg & Fredman, 2011). The question in these two surveys was not worded exactly the same though.

Why employers play a bigger part in Icelandic businesses than in Sweden, is a topic for a new study. A possible answer could be that Iceland is a country with large wilderness, glaciers and sometimes extreme weather changes that alone requires competent guides.

Also, when trying to understand the importance of good staff in the Icelandic tourist market, it is clear that good competent employees are important. Good guides and good managers can make the difference for a trip both regarding safety and experience.

But it is little bit more difficult to assume why and how employees can be constraints. More and more Icelandic students learn tourism and guides can now get approved mountain-guide rights in Iceland that on its own should lead to more competent employees.

However, in an industry such as nature-based tourism, qualified staff is significant and important to get to know which skills are needed in the market. Interest for education in tourism seems to be increasing.

In Iceland there are no rules or regulations about specialized mountain guides even though there are numerous tourist trips in the mountains each year. However more and more mountain guides now have approved training in mountain guiding and the training is now available in Iceland (mountainguides.is, 2013; hvannadalshnukur.is, 2013).

The outcomes of this study show how important it is to achieve knowledge regarding what kind of competence these companies are looking for and whether the school system is providing the educating in an adequate way. The tourist industry is often believed to be a low-income industry and it would be interesting to find out whether that is the reason for difficulties in recruitment.

Another interesting finding of this study is that all types of companies share similar opinions with regard to the majority of the factors asked about in the survey. The companies answered the research questions in a similar way, regardless of their location or size. A possible explanation for this can be that not many large tourist companies are operating in Iceland. Therefore, most of the companies answering this survey would by defined as small companies in an international context. Also, that the same factors are important for every company can be because everyone faces the same challenges regardless to size or location.

In regarding location, it was interesting to see that even though several companies were located outside the highways in small towns, the companies' answers similar. One reasons for this could be that in a more remote location company's offer all services tourist required themselves. By that limit the need for outside service.

These results provide support for the theory that constraints are external and that they all deal with similar issues of not being able to influence them in a great way. Over all, these results show that the nature-based tourist companies are in many ways similar but in a few questions there were variations between the companies.

Limitations

Even though the response from only 90 companies in total might appear little, it should be kept in mind that the inhabitants of Iceland are only just over 300 thousand (Statistics Iceland, 2013). In February 2013, 530 companies were registered in Iceland as travel organisers (Icelandic Tourist Board, 2013). Some of these companies were registered after the search for nature-based companies was performed and more are waiting for approval (Icelandic Tourist Board, 2012a). The 250 companies that were the base for the survey performed in this study thus represent slightly less than 50% of all registered tourist companies in Iceland, spring 2013.

The small sample size, however, makes it difficult to arrange groups of companies with regard to size and location. In addition, the response was not equally distributed according to land portions. This might make the results incorrect for geographic regions. However, the difference between companies answering the survey was minor and an answer between different locations was not large. Therefore, despite the sample size only consisting of 90 companies, it can be assumed that the results say something in general about the nature-based tourist market in Iceland. Nevertheless a non-response survey is needed to see whether the non-response group is similar to the response group. Because of limited time this was not done.

Given that so many tourists travel to Iceland for exploring the nature, almost every tourist company in Iceland offers some kind of nature experience. This made it a bit difficult to find the nature-based companies that were used in this study. The lack of definition on the subject also appeared to be a problem. Given that the aim was to find companies that offer tours themselves and were not only organizers of tours it could be difficult to distinct. In Iceland the concept "nature-based tourism" is not well known and usually not used. However, to lead companies themselves answer whether they fit the definition of nature-based companies or not, might be an advantage in a country as small as Iceland.

CONCLUSION

Most nature-based tourist companies in Iceland seem to be growing and hiking with a guide and horseback riding are offered by most companies. Majority of companies are managed or owned by a male who has completed collage or three years or more of university.

This study shows that to succeed in the nature-based tourist market in Iceland, the most important factor according is to have good employees. Location is not that important but being able to recruit good quality employers seems to make the difference. In general there were not large differences in successes and constraints between the groups.

When building a new industry like the tourist market, policy makers need to be aware of what Iceland has to offer. It is not enough to get more and more tourists into the country, they need to be able to welcome them and offer the services the tourist needs. This concerns both to know what activity to supply and to have enough quality staff and managers to offer the tours.

Further research

These findings do bring up new questions which may be important to answer. That is, why are employees regarded as constraints in Iceland and what can be done to limit these factors.

Some proposals for further research might be to perform two studies, one among students in Iceland and another among nature-based tourist companies in Iceland. One with regard to nature-based tourist companies in order to find out what kind of employers they are looking for and why. The other study should be directed to Icelandic students in order to find out their interests concerning the industry and interests in further education within it.

To be able to build up a new and successful industry all infrastructures such as education need to be in order. It would be interesting to know whether the programmes offered in Iceland are in line with the need from the nature-based tourist companies. Also, are young people interested in working in this sector, why or why not?

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APPENDIX

All the letters and the questionnaires were send out in Icelandic, but for the purpose of the master study they have been translated into English in the appendix.

LETTER ONE, INTRODUCTION

Dear recipient,

The reason we have contacted you is that we need help in investigating nature-based tourism in Iceland and compare the results with similar studies in Norway and Sweden.

The project is carried out within Universitetet for Miljø (Environment) and Biovitenskap (UMB) in Norway as a master project. The goal of the project is to improve information and understanding of this growing part of the tourist industry as well as exploring whether Iceland, Norway and Sweden wrestle with similar obstacles and the same success factors.

(LINK)

The person operating the business (owner or manager) is asked to answer the survey. All answers are important for us and we are grateful for all the answers. It takes about 10 minutes to complete the survey.

With regards and thanks in advance

Halla Hafbergsdóttir, master student, halla.hafbergsdottir@student.umb.no
Anna Dóra Sæþórsdóttir, associate professor við Háskóla Íslands, annadora@hi.is

Stian Stensland, Postdoktor,Universitetet for Miljø og Biovitenskap (UMB) Ås, Noregi E-post:stian.stensland@umb.no

LETTER TWO, FIRST REMINDER 1

Dear recipient,

Last week we sent you an e-mail in which your company was asked to participate in a study about nature-based tourism. The study is conducted in Iceland, but the same study is carried out in Norway and Sweden. As a result, it becomes possible to compare situations and attitudes between countries.

All answers are important for us and we are grateful for all the answers. It takes about 10 minutes to complete the survey.

(LINK)

The person operating the business (owner or manager) is asked to answer the survey.
With regards and thanks in advance

With regards and thanks in advance,

Halla Hafbergsdóttir, master student, halla.hafbergsdottir@student.umb.no
Anna Dóra Sæþórsdóttir, associate professor við Háskóla Íslands, annadora@hi.is

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LETTER THREE, REMINDER 2

Dear recipient,

Last week we sent you an e-mail in which your company was asked to participate in a study of nature-based tourism.

I want to extend our thanks for the good response and a great help to me. Both, for the work of my master study and also to get meaningful information that can be compared to Sweden and Norway.

Those who have not responded still have the opportunity to do so. To participate you need to click on the link below or copy the link.

(LINK)

With warm thanks,
Halla Hafbergsdóttir, master student

LETTER FOUR, REMINDER 3

Dear recipient,

A short while ago we sent you an e-mail in which your company was asked to participate in the study of nature-based tourism.

Since we received feedback that not everyone was able to open the link we will re-send.

Those who have already answered the study we apologize for this e-mail and we appreciate your participation. To participate you need to click on the link below or copy the link.

(LINK)

With regards and thanks in advance,
Halla Hafbergsdóttir, master student, halla.hafbergsdottir@student.umb.no
Anna Dóra Sæþórsdóttir, associate professor við Háskóla Íslands, annadora@hi.is

Stian Stensland, Postdoktor,Universitetet for Miljø og Biovitenskap (UMB) Ås, Noregi E-post:stian.stensland@umb.no

THANK YOU LETTER

(Was sent in a E-mail few days before the survey was closed)

Dear recipient,

A few days' ago we sent you an e-mail in which your company was asked to participate in a study of nature-based tourism.

I want to extend our thanks for the good response and a great help to me. The survey is now closing.

(LINK)

With regards and thanks,
Halla Hafbergsdóttir, master student, halla.hafbergsdottir@student.umb.no
Anna Dóra Sæþórsdóttir, associate professor við Háskóla Íslands, annadora@hi.is

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Nature-based tourism

The survey was carried out among 250 Icelandic companies that have been defined as nature-based tourist companies in spring 2012. The goal of the project is to receive better information and improve an understanding of this growing branch of tourism.

In this study, companies' business activities within tourism are being looked at, i.e. activity against payment.

All answers are important to us and we are grateful for complete answers. It takes about 10 minutes to complete the survey.

With regards and thanks in advance

Halla Hafbergsdóttir, master student, halla.hafbergsdottir@student.umb.no
Anna Dóra Sæþórsdóttir, associate professor við Háskóla Íslands, annadora@hi.is

Stian Stensland, Postdoktor,Universitetet for Miljø og Biovitenskap (UMB) Ås, Noregi E-post:stian.stensland@umb.no

1) When did the company start operating?

2) What kind of activity does your company offer? This refers to activities that your company organizes and sells to customers:

Mark all relevant:

- Guiding
- Rental of equipment
- Planning/preparation
- Hiking
- Cycling tours
- Horse Riding
- Fishing
- Angling
- Hunting
- Boat Tours / Whale Watching
- Rafting / Kayaking
- Diving
- Glacier hikes
- Caving
- Dog sledding
- Jeep tours
- Bird watching
- Other:

3) What percentage of company gross income comes from tourism?

4) Which three activities are most important for the company's gross income?
Let B stand empty it you only offer 1 type of activity
Let C stand empty it you only offer 2 types of activities

5) How important are the following periods for the company's gross income?
1=none; 2, 3,4,5,6, 7= Very much; Don't know

- Jan-April
- May-August
- Sept-December

6) Does your company offer tours into any national parks?
Yes No

7) In which national park/s does your company offer tours into?
Mark all relevant:

- Vatnajökulsþjóðgarðs /Vatnajokull National Park
- Þjóðgarðinum á Þingvöllum/ Þingvellir National Park
- Þjóðgarðinum á Snæfellsnesi / Snæfellsnes National Park

8) To what extent do you use the national parks in promotion and sale of tours?
1=Not at all; 2, 3, 4, 5, 6, 7=Very much; Don´t know

9) How important is it for your company that there is a national park in your area?
1= Not at all 2, 3, 4, 5, 6, 7= Very important; Don´t know

10) What effect has the following land use on the company?
-3 =Very negative impact; -2, -1, 0= No impact; 1, 2, 3= Very positive impact; Don´t know

- Power lines
- Dams
- Summer houses
- Paths
- Information signs
- Viewing locations
- Information centers
- Roads
- Parking lots
- Other:

11) Which of the following statement best fits the company? The company is.....
....starting business
....growing
....stable
....reducing
....stopped opperating

12) Where is your company registered? (Paying tax)

- Höfuðborgarsvæðinu/Capital area
- Suðurlandi/South
- Austurlandi/East
- Norðurlandi/North
- Vesturlandi/West
- Vestfjörðum/West fjords
- Reykjanes

13) In what area does the company operate tours in? *(Mark all relevant)*

- Höfuðborgarsvæðinu/Capital area
- Suðurlandi South
- Austurlandi/East
- Norðurlandi/North
- Vesturlandi/West
- Vestfjörðum/West fjords
- Reykjanes

14) How important are the following items for your business?

1= Does not matter; 2, 3, 4, 5, 6, 7= Very important; don't know

- Profit
- Safe income
- Use local surroundings in the business
- Communication with the customer
- Protected areas
- Promote sustainable tourism

15) How important are following items for you as an owner/manager?

1=Does not matter; 2, 3, 4, 5, 6, 7=Very important; don't know

- Independency in work
- Interesting work
- Being able to work in the nature
- Providing the customer with a good nature experience
- Providing information about conservation to the customer
- Working with the things the company works with today

16) How important are following items to achieve company goals?

1= Do not matter; 2,3,4,5, 6, 7= very important; don't know

- Leadership (manager's interest and competence)
- Network (cooperation, collaborators and membership in organizations)
- Competence of employees
- External support (finance grants and marketing)
- Lifestyle of employers
- Financial (access to finance to make investment)
- Free access to natural resources
- Managers experience (education, experience and interest)
- Knowledge of local region
- Natural resources
- Other, what?

17) How much impact do following items have on the company's opportunity to achieve its goal?

1= No impact; 2, 3, 4, 5, 6, 7= Very much impact; don't know

- External restrictions (rules and regulations, landowners and public authority)
- Competence of employees (employee's education and competence)
- Recruitment of personnel
- Lack of capital
- Lack of knowledge
- Lack of destination marketing
- Access to natural resources
- Location (limited infrastructure)
- Other, what?

18) Has the company environmental certification?

- Yes
- No
- Is in process
- don't know

19) What effect do you believe environmental certification has on the company?

-3=Very negative impact;-2,-1, 0=no impact; 1, 2, 3= Very negative impact; don't know

- More clients
- More profit
- More diverse groups of customers
- Reputation
- Motivation and commitment of staff
- Other, what:

To get an important overview of the tourist market in Iceland we need to get financial information about the company. We remind you that all answers are untraceable.

20) How much gross income did the company have last year?

- Under 1.000.000
- 1.000.000-2.999.999
- 3.000.000.-4.999.999
- 5.000.000-6.999.999
- 7.000.000-8.999.999
- 9.000.000.-10.999.999
- 11.000.000-12.999.999
- 13.000.000-14.999.999
- 15.000.000-16.999.999
- 17.000.000-18.999.999
- 19.000.000 or more
- Don't want to say

21) How many employees are in the company?

- High season
- Low season

22) I’m a…
…Manager
…Owner
…Employee
…Other, what?

23) How many years have you worked within the company?

24) How many years have you worked in tourist industry?
25) When were you born?

26) Gender

- Male
- Female

27) What education have you completed?

- Phd
- 5 years at university
- 3 years at university B.S/B.A
- High school
- Elementary school
- Other, what: