

Tourism Management during Covid-19 Era: Evaluating Corfiots' Perceptions

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Abstract

Considering the importance of local communities in the successful implementation of tourism management and planning, the present study aims to investigate residents' perceptions of the socioeconomic impact of tourism on Corfu, a leading tourist destination in the Mediterranean Sea. A survey of 340 residents of Corfu between 2021 and 2022 indicated that, on average, the local community believed that tourism drives economic development and leads to an increase in the cost of living on the island. Women were less likely to acknowledge the positive economic effects of tourism on Corfu and residents with lower educational levels were more likely to perceive the adverse social effects of tourism on the local community. An examination of the relationships among the dimensions of perceived tourism impact indicated that tourism-driven economic development had a positive effect on high cost of living and improvements in the destination's physical environment. Subsequently, residents perceived that high cost of living and improvements in the physical environment contributed to alcohol consumption and criminal activity at the destination. Using structural equation modelling, this study provides an original examination of the interrelationships among the different dimensions of perceived tourism impact and suggests ways to alleviate the perceived negative effects of tourism activity.

Keywords

Resident Perceptions, Tourism Impacts, Small Island, Tourism Management, Structural Equation Modeling, Covid-19

1. Introduction

Located in the Ionian Islands region of Greece, Corfu is a well-known global tourist destination whose socioeconomic prosperity is largely reliant on tourism. The beginning of Corfu's tourist development coincides with Club Med's investment in Corfu during the 1950s, the hotels of which offered several options for solo travelers, families, and groups of tourists (Tchoukarine, 2016). Notwithstanding the importance of tourism for island and mainland tourist destinations, local residents often feel that due to the development of tourism, their quality of life is deteriorating and that unique elements of their cultural identity are being lost (Rozmiarek, Malchrowicz-Mośko, & Kazimierczak, 2022). In view of the need to apply strategies for sustainable tourism development (Kontogeorgis, Livas, & Karali, 2022), investigation of the positive and negative effects of tourist activity can significantly contribute to the improvement of the tourist destination, identification of its comparative advantages, and mitigation of any negative consequences. Although the effects of tourism have been thoroughly examined by the existing literature (e.g., Jordan et al., 2023; Sharpley, 2014), an investigation of tourism's impact during the post-Covid-19 era may contribute to the identification of viable routes for sustainable development (Jordan et al., 2023; Sigala, 2020).

In view of the above and considering the importance of local communities in the successful implementation of tourism planning, the present study aims to investigate residents' (i.e., Corfiots') perceptions of tourism's socioeconomic impact on their island. Subsequently, the study proceeds to explore the factors affecting existing perceptions, with a particular focus on gender and educational level. After a literature review regarding residents' perceptions of tourism activity, tourism consequences and Covid-19, this paper presents the findings of a sizeable survey conducted from July 2021 to July 2022. Subsequently, the interpretation of results aims to explain existing perceptions and identify implications for overall tourism planning.

2. Literature Review and Hypotheses Development

2.1. Interpretating Residents' Perceptions of Tourism Activity

The originator of the theory of social exchange was Homans (1958), who attempted to interpret human behavior. With an emphasis on the concept of exchange, social exchange theory has been used to assess residents' perceptions of tourism activity. Some of the most crucial parties involved in exchanges during the tourism process are tourists and residents of a tourist destination. The latter are those who evaluate the social, cultural, and economic consequences of tourism activity (Özel & Kozak, 2017). The main purpose of this social exchange is the satisfaction of both residents and visitors (Özel & Kozak, 2017).

The application of social exchange theory in tourism may facilitate the interpretation of residents' opinions regarding tourism activity based on an assessment of expected costs and benefits. By following this approach, it is possible to illuminate residents' attitudes towards tourist activity (Özel & Kozak, 2017). Considering that social exchange theory has been criticized for lacking a coherent theoretical framework (Ward & Berno, 2011), the inclusion of additional psychological factors may facilitate the examination of the relationship between tourists and residents. Prior research has indicated that the behavior and predisposition of residents towards tourism activity is not only influenced by their perceptions but also by intrinsic motivations, which are determined by personal characteristics and elements of the residents' identity (Wang, Chen, & Xu, 2019).

2.2. Perceived Consequences of Tourism Activity

Although the contribution of tourism to the local economy is undisputed, residents often experience negative consequences from tourism-related activities (Gautam, 2023). Reducing the number and severity of these negative consequences is a prerequisite for increasing local support for tourism. The type and intensity of tourism activity affects the degree and extent of its consequences on the local community and tourist destination itself. For instance, the proliferation of home-sharing options burdens predominantly local communities, while marine tourism has been assumed to exert the largest overall negative impact on destinations (Jordan et al., 2023). In general, the effects of tourism are multifaceted and include various aspects of community life, such as people's well-being, urbanization, changes in residents' way of life, community pride and awareness, natural/cultural preservation, economic prosperity, recreation amenities, crime, and substance abuse (Jordan et al., 2023).

Although much research has focused on investigating tourists' perceptions of tourism development, most residents of tourist destinations are also aware of the effects of tourism from their own perspective. Furthermore, the citizens of a tourist destination affect the satisfaction of visitors (Pappa et al., 2022a). The local residents' perceptions of tourism activity can be shaped by internal and external factors, including moral values, opinions, interactions with tourists and tourist activity, demographics, and environmental awareness (Rasoolimanesh & Seyfi, 2021). Studies suggest that the better the residents' quality of life, the more they are interested in long-term and sustainable tourism development (Gautam, 2023). For instance, as evidenced by relevant research in the city of Patras, the preservation of cultural identity and customs can increase residents' satisfaction with tourism (Pappa et al., 2022b). In the case of Corfu, the development of cultural tourism along with preserving the island's heritage may improve the lives of residents (Kontogeorgis & Varotsis, 2022).

The empirical investigation of residents' perceptions of tourism has yielded interesting results. A survey conducted in Antalya (Türkiye) indicated that residents acknowledge that tourism contributes to an increase in employment, protection of cultural monuments, and improvement of residents' standard of living (Korca, 1996). Nevertheless, participants also emphasized some negative effects of tourism, such as an increase in the overall price level and housing prices, as well as the deterioration of the natural environment (Korca, 1996). In a survey conducted on residents in the city of Shanghai (China), it was found that tourism is perceived to improve societal well-being, economic welfare, and the environment (Guo, Kim, & Chen, 2014). Notwithstanding the potential positive effects of tourism, some tourist activities have been perceived to negatively affect residents' daily lives (Cheng, Houge Mackenzie, & Degarege, 2022). For instance, residents are often negatively affected by high prices, noise, and overtourism (Rozmiarek, Malchrowicz-Mośko, & Kazimierczak, 2022).

Residents' participation is necessary for sustainable tourism development and cultivation of destination image. Although people in many tourist destinations are sometimes indifferent and apathetic to social problems, effective cooperation among local stakeholders facilitates sustainable tourism development. Mutual benefit is a basic prerequisite for the positive and active participation of residents in tourism development (Guo, Kim, & Chen, 2014). Therefore, many local gov-ernments in China have drawn up strategic plans to improve the quality of life of residents so that they feel they are benefiting from tourism activity (Guo, Kim, & Chen, 2014). Arillas in Corfu offers a good example of active and effective residents' participation in social problem-solving and community activities (Christou, 2017).

Although residents' perceptions of tourism impacts have been mostly examined in relation to sociodemographic profiles (Lindberg & Johnson, 1997; Nunkoo, Gursoy, & Juwaheer, 2010; Sharma & Gursoy, 2015), existing literature has not thoroughly investigated potential interrelationships among perceived impacts. For instance, prior studies have posited that tourism activity is perceived to contribute to the economic development of tourist destinations (Milne & Ateljevic, 2001; Sinclair, 1998). Notwithstanding such beneficial economic consequences, fundamental economic theory and empirical evidence suggest that economic growth may often be associated with increases in price levels and ultimately, with the cost of living (Kurre, 2003). Given the documented positive relationship between economic growth and higher price levels, it is hypothesized that:

H₁: Perceived tourism-driven economic development has a significant positive effect on perceived high cost of living.

Tourism development is interconnected with tourism infrastructure, as the latter increases destination attractiveness and competitiveness (Mandić, Mrnjavac, & Kordić, 2018). While most researchers have viewed infrastructures of all types (e.g., recreational facilities and road networks) as a determinant of tourist arrivals and development (Khadaroo & Seetanah, 2007; Mandić, Mrnjavac, & Kordić, 2018), it is also very possible that larger tourist inflows and generation of income fuel the renewal of existing, as well as the building of new, infrastructure, in order to accommodate growing demand pressures. Thus, it is expected that:

H₂: Perceived tourism-driven economic development has a significant positive effect on perceived improvement of the destination's physical environment.

Tourism activity has also been associated with criminality targeting residents

and tourists. Crime perpetrated by tourists is mostly believed to consist of minor violations, such as disorderly and disruptive behavior in residential areas (Lindberg & Johnson, 1997), which may often be the result of excessive alcohol consumption (Williams-Burnett, Skinner, & Fallon, 2018). Tourists in mass destinations are more likely to be victims of property crime and robbery than residents of the local communities (De Albuquerque & McElroy, 1999). At the same time, they are less likely than residents to be victims of murder and aggravated assault (De Albuquerque & McElroy, 1999).

Crime may also be the result of rising prices, as in such situations the criminals' potential returns rise significantly (Draca, Koutmeridis, & Machin, 2019). In the tourism context, considering the unequal distribution of global incomes (Hoffmann, Lee, & Lemieux, 2020), rising prices resulting from economic growth may be detrimental for certain categories of residents and tourists. For example, residents may find it more difficult to find affordable housing (Nieuwland & Van Melik, 2020) and cope with price increases in basic products. In this context, among various other causes, lower socioeconomic status has consistently been associated with increased alcohol consumption (Rimmer et al., 1971; Wang et al., 2014). Similarly, although higher prices in a destination are normally expected to attract more high-value tourists, lower-value travelers who decide to visit the destination may not be able to engage in ordinary and organized leisure activities, and are therefore likely to engage in more disruptive behaviors. Lastly, as tourist inflows grow beyond a certain threshold, local authorities may find it harder to deter criminal behavior.

In addition to the actual criminal activity associated with tourism growth, the local community's perceptions are driven by their own tendencies and predispositions. Residents who believe that tourism-driven economic development leads to a higher cost of living are more likely to believe that tourism activity may also bring about additional adverse social effects, such as crime and excessive alcohol consumption. Considering the above discussion, it is hypothesized that:

H₃: Perceived high cost of living, as a consequence of tourism-driven economic development, has a significant positive effect on perceived alcohol consumption and crime.

Although infrastructure improvement often represents a positive antecedent or consequence of tourism-driven economic development, it may also be associated with negative social effects at the destination. Renewing existing facilities to build new infrastructure to accommodate increasing demand may burden the lifestyle of local communities by attracting additional (and largely unwanted) tourism inflows. A larger volume of incoming tourism increases the likelihood of some visitors exhibiting disorderly or disruptive behavior, partly because of excessive alcohol consumption.

From a broader perspective, because infrastructure projects often involve public authorities, residents may be uncertain about officials' underlying motivations. Corruption and bureaucracy in Greece are perceived to be perhaps the most important barriers for attracting investment and achieving economic prosperity (Bitzenis, Tsitouras, & Vlachos, 2009). The centrality of corruption in the Greek socioeconomic sphere has been attributed to cultural characteristics such as live-for-today behavior, religious values, ethnocentrism, political arrangements, patronage, and nepotism (Danopoulos, 2014). In view of the above, it is likely that public works regarding infrastructure in Corfu are viewed with disbelief by the residents of the island. In other words, they may believe that authorities are unable or unwilling to properly manage such projects for the benefit of the local community. Overall, because of the association between infrastructure improvement and larger inflows of tourists, as well as residents' distrust towards authorities involved in public works, it is assumed that:

 H_4 : Perceived improvement of the physical environment, as a consequence of tourism-driven economic development, has a significant negative effect on perceived alcohol consumption and crime.

2.3. Tourism's Impact and Covid-19

The importance of Covid-19 in tourism is evinced by the sheer number of studies published on the effects of the pandemic on tourist activity (Zopiatis, Pericleous, & Theofanous, 2021). Governments introduced international and domestic travel restrictions, such as social distancing and border closures, to limit the spread of the novel coronavirus (Jacobsen et al., 2023). Because they were deemed successful by most governments and members of the medical community, these restrictive measures were implemented on a global scale (Chau et al., 2023), practically halting international travel and tourism activities.

The effects of Covid-19 extended to all walks of life and challenged people's values and perceptions. Societies were faced with increasing levels of work-related stress, greater reliance on technology and remote work (Sigala, 2020). The coronavirus pandemic has had an impact on transport, tourism and the hospitality industry as a whole. The post-Covid 19 era in tourism is thought to be characterized by increased emphasis on certain sociocultural and environmental values, such as wellbeing, health, environmental guardianship, and traditional ecological knowledge (Carr, 2020). Tourists and residents are also believed to have experienced changes in the way they think, act, and react to events (Pappas & Glyptou, 2021). For example, recent research has suggested that, after the pandemic, residents of tourism destinations have become more sensitive towards health issues (Kamata, 2022).

From the destinations' perspective, the sudden drop in tourism activity may have forced some destinations to adopt a mass marketing approach in their efforts to attract all kinds of tourism (Mach et al., 2022). Regardless, tourist attraction during the post-Covid era requires strategic adaptation to the new contextual conditions with a focus on cultivating rich and positive tourist experiences (Yang et al., 2021). Despite the profound effects of Covid-19 on destinations and tourists, the potential changes in residents' perceptions of tourism may also be considered as an important consequence of the pandemic.

2.4. The Impact of Gender and Education on Residents' Perceptions

Prior research suggests that demographic variables indirectly affect residents' attitudes toward tourism through values (Lindberg & Johnson, 1997). Existing literature contains contradictory findings regarding the importance of gender in shaping perceptions of tourism's consequences. One stream of studies has posited that perceptions of tourism impacts are indeed affected by gender (Chhabra, 2007; Nunkoo, Gursoy, & Juwaheer, 2010). For instance, it has been argued that females hold more positive attitudes towards tourism than males (Sharma & Gursoy, 2015). On the contrary, other researchers suggest that males are more positively predisposed towards certain types of tourism development than females (i.e., cafes and bars), who believe that such types of tourism may be harmful to the local community (Mason & Cheyne, 2000). Other studies have suggested that gender does not shape residents' perceptions of tourism activity and its impact, either negatively or positively (Ritchie, 1988; Sharma & Dyer, 2009; Williams & Lawson, 2001).

Notwithstanding existing views on the role of gender in shaping residents' viewpoints, there are several reasons to believe that, in the present study's context, gender may influence perceptions. With respect to socioeconomic status, women in Greece have relatively lower labor participation rates than men (Lyberaki, 2011), are less likely to deal with business ventures (Van der Zwan, Verheul, & Thurik, 2012), and face significant sociocultural barriers (Bruni, Gherardi, & Poggio, 2014). As a result of their limited participation in economic activity, women on average are expected to lack a holistic view of tourism's beneficial economic impact on their local communities and reap fewer economic benefits than men. Based on this, it is hypothesized that:

 H_5 : Women perceive less tourism-driven economic development in Corfu than men do.

Similar to the role of gender, prior research has examined the effect of residents' educational background on their perceptions of tourism impacts, without reaching consensus. Although a few studies have posited that education is unrelated to residents' perceptions (Sharma & Dyer, 2009; Williams & Lawson, 2001), the majority of existing research suggests that residents' education and perceptions of tourism impact are positively associated (Bastias-Perez & Var, 1995; Sharma & Gursoy, 2015; Teye, Sirakaya, & Sönmez, 2002). More specifically, respondents with higher educational qualifications have demonstrated greater awareness of the positive community impacts (Bastias-Perez & Var, 1995), and better attitudes towards the cultural effects of tourism (Teye, Sirakaya, & Sönmez, 2002). Among other, the positive perceptions of tourism expressed by highly educated individuals (i.e., in this case residents) have been attributed to their ability to access additional and more reliable sources of information (Teye, Sirakaya, & Sönmez, 2002). In view of the above, it is expected that:

H₆: Educational level is negatively associated with the perceived adverse social

effects of tourism (i.e., perceived alcohol consumption and crime) on Corfu.

3. Research Methodology

3.1. Study Sample

The study sample consisted of 340 participants who were residents of Corfu at the time of the study. Considering that the present research did not perform probability sampling, the final sample size satisfied the minimum prerequisites of the subsequent multivariate statistical analysis (Hair et al., 2014). As per **Ta-ble 1**, of the 340 respondents, 51.5% identified as female, 66.2% were either married, married with children, or divorced, 74.7% were over 34 years of age, and 79.1% had completed university level education (i.e., held Bachelors, Masters, or PhD degrees). Furthermore, the majority of participants resided at central Corfu (83.2%) for over 10 years (88.2%). Regarding their occupation, 40.9% indicated to be employed in tourism-related occupations, with particular emphasis on the hospitality industry, the food industry, and transportation. Overall, although the sampling method employed was a form of convenience sampling, the sample's characteristics do not deviate significantly from those of the general Greek population and suggest that participants were able to provide informed opinions on the topic at hand.

Gender	f	%
male	165	48.5
female	175	51.5
Marital status	f	%
single	115	33.8
other	225	66.2
Age	f	%
18 - 34	86	25.3
35+	254	74.7
Education	f	%
not tertiary	71	20.9
tertiary	269	79.1
Location	f	%
central Corfu	283	83.2
other locations	57	16.8
Years of stay	f	%
up to 10 years	40	11.8
more than 10 years	300	88.2
Tourism-related occupation	f	%
no	201	59.1
yes	139	40.9

Table 1. Sample characteristics.

3.2. Measurement and Methods of Data Analysis

Most approaches in the measurement of residents' perceptions of tourism consequences on local communities encompass economic, sociocultural, and environmental dimensions (Andereck et al., 2005). In line with common practice, the present study introduced 26 Likert-type items relating to the aforementioned dimensions of tourism impact. Considering the aim, hypotheses and measurement scales, the present research performed descriptive analyses, bivariate correlations, and multivariate analyses. Regarding the latter, exploratory and confirmatory factor analyses were conducted to effectively summarize the information of the Likert-type items into a set of composite variables or factors (Hair et al., 2014). Structural equation modelling was subsequently performed to simultaneously test 4 out of 6 directional hypotheses involving said factors while considering measurement error (Hair et al., 2014) and reducing the likelihood of Type I and Type II errors (MacKenzie, 2001).

4. Results

4.1. Factor Analysis

An initial pool of 26 Likert-type items (measured on a scale from 1 to 5) referring to potential economic, sociocultural, and environmental impacts of tourism activity on local communities was obtained from a thorough review of the relevant literature. Although the broad dimensions of tourism impacts, and therefore some of the corresponding items, were inevitably interrelated, out of the 26 items included in the analysis, 11 were intended to measure potential economic impacts, 4 were intended to measure potential environmental impacts, and 11 were intended to measure potential sociocultural impacts. An exploratory factor analysis of the 26 items conducted on a separate convenience sample of 169 residents with the use of SPSS v.27, resulted in 4 factors measuring economic development, physical environment, alcohol, drugs & crime, and high cost of living (**Table 2**). The final factor solution excluded 10 items from the initial pool of 26 items due to low communality values and/or significant cross-loadings.

Subsequently, the exploratory factor solution was subjected to a confirmatory factor analysis with use of AMOS v.24 (**Table 3**). The confirmatory factor analysis was performed on the final study sample of 340 residents and although all factors were retained, achieving satisfactory model fit required deletion of 4 additional items. However, removing 1 item from Alcohol, Drugs & Crime indicated that the factor had to be renamed (i.e., Alcohol & Crime). Lastly, all factors were characterized by satisfactory levels of internal consistency (IC indexes > 0.7), convergent (AVE values > 0.5) and discriminant validity (AVE values > MSV values) (Hair et al., 2014).

4.2. Univariate

Descriptive results regarding residents' perceptions (Table 4) suggested that on

average, the local community believed that Corfu experiences a form of tourism-driven economic development (3.51/5.00). Simultaneously, however, the residents maintained that tourism has caused a higher cost of living (3.88/5.00) and has not significantly contributed to improvement of the physical environment (2.1/5.00). Lastly, participants did not demonstrate agreement with crime and excessive consumption of alcohol being important consequences of tourism activity (2.55/5.00). Although the Kolmogorov-Smirnov and Shapiro-Wilk tests for all variables were statistically significant, the values of Skewness and Kurtosis indicated that the data distribution's deviation from normal distribution was not substantial (Kim, 2013).

Table 2. Exploratory factor analysis results.

		Factors						
Item #	Perceived tourism impact:	Economic Development	Physical Environment	Alcohol, Drugs & Crime	High Cost of Living			
1	Important economic benefits	0.78						
2	More investment	0.71						
3	Additional tax revenues	0.67						
4	Greater purchasing power	0.78						
5	Better standard of living				0.72			
6	Higher real estate property costs				0.73			
7	Higher price of goods and services				0.89			
8	Preservation and restoration of monuments		0.68					
9	Preservation of cultural heritage		0.76					
10	Improved road network and transportation		0.76					
11	Environmental protection		0.90					
12	Better image of the environment		0.96					
13	Higher rents				0.67			
14	Criminality			0.80				
15	Alcoholism			0.74				
16	Drug trafficking			0.70				
	Cronbach's a	0,87	0.92	0.81	0.92			

Notes: 1) Extraction Method: Principal Axis Factoring; 2) Rotation Method: Oblimin with Kaiser Normalization; 3) a. Rotation converged in 8 iterations; 4) n = 169; 5) 69.23% of total variance explained; 6) KMO = 0.848.

Constructs	Standardized	Internal	A 3717	мsv	
(Items)	Loadings	Consistency (IC)	AVE	MSV	
Economic Development	-	0.836	0.64	0.40	
Item #1 Important economic benefits	0.824	-	-	-	
Item #2 More investment	0.817	-	-	-	
Item #4 Greater purchasing power	0.749	-	-	-	
High Cost of Living	-	0.883	0.63	0.40	
Item #5 Better standard of living	0.730	-	-	-	
Item #6 Higher real estate property costs	0.911	-	-	-	
Item #7 Higher price of goods and services	0.756	-	-	-	
Item #13 Higher rents	0.776	-	-	-	
Physical Environment	-	0.916	0.80	0.24	
Item #8 Preservation and restoration of monuments	0.931	-	-	-	
Item #9 Preservation of cultural heritage	0.978	-	-	-	
Item #10 Improved road network and transportation	0.756	-	-	-	
Alcohol & Crime	-	0.785	0.65	0.23	
Item #14 Criminality	0.768	-	-	-	
Item #15 Alcoholism	0.841	-	-	-	

Table 3. Confirmatory factor analysis.

Notes: 1) CFA Fit statistics: CMIN/DF = 1.906; CFI = 0.983; TLI = 0.976; RMSEA = 0.052; PCLOSE = 0.648; SRMR = 0.034; 2) Internal consistency was estimated with Cronbach's α for latent variables consisting of more than two items and Spearman - Brown (split-half reliability) for latent variables consisting of two items; 3) AVE and MSV stand for Average Variance Extracted and Maximum Shared Variance respectively, and they are used as measures of convergent and discriminant validity; 4) n = 340.

Table 4. Descriptive statistics.

	Economic Development	High Cost of Living	Physical Environment	Alcohol & Crime
Mean	3.51	3.88	2.10	2.55
Median	3.67	4.00	2.00	2.50
Std. Deviation	1.01	0.95	1.01	1.01
Skewness	-0.38	-0.68	0.60	0.38
Std. Error of Skewness	0.13	0.13	0.13	0.13
Kurtosis	-0.68	-0.42	-0.53	-0.38
Std. Error of Kurtosis	0.26	0.26	0.26	0.26

Notes: 1) n = 340; 2) Kolmogorov-Smirnov & Shapiro-Wilk tests for all variables were statistically significant.

4.3. Bivariate Analyses

The bivariate analyses among metric and ordinal variables (**Table 5**) suggested that age was unrelated with perceptions of tourism impact. However, educational level had a statistically significant negative correlation with alcohol & crime (rho = -0.12, p = 0.027), suggesting that individuals of higher education are less likely to perceive that tourism leads to higher crime and alcohol consumption. Thus, this relationship appears to *support* H_6 . Furthermore, years of stay in Corfu was negatively associated with physical environment (rho = -0.148, p = 0.006). The sign of said correlation coefficient suggests that the more residents have lived on the island the less they are likely to maintain that tourism improves aspects of the physical environment.

Regarding the relationships among variables measuring residents' perceptions, (tourism-driven) economic development is significantly and positively correlated with high cost of living (rho = 0.451, p = 0.000) and (improvements in the destination's) physical environment of the destination (rho = 0.436, p = 0.000). It is also positively correlated with alcohol & crime (rho = 0.297, p = 0.000). although the resulting correlation coefficient is of relatively smaller magnitude. Apart from economic development, high cost of living is significantly positively correlated with alcohol & crime (rho = 0.427, p = 0.000) and subtly with (improvements in the destination's) physical environment (rho = 0.116, p = 0.032). Lastly, (improvements in the destination's) physical environment is significantly positively correlated with alcohol & crime (rho = 0.302, p = 0.000). Overall, the bivariate correlations indicate that according to residents' perceptions, (tourism-driven) economic development is associated with positive (i.e., improvements in the physical environment) and negative impacts (high cost of living and alcohol & crime) on the destination.

A further examination of the effect of dichotomous variables (i.e., residents' demographics) on metric variables (i.e., residents' perceptions) with use of independent samples t-tests (Table 6) suggests that females are less likely than males (3.41 vs. 3.62) to acknowledge that tourism facilitates the economic development of the destination. This finding provides evidence to support H_5 . Women also demonstrated lower disagreement than men with the notion that tourism activity increases criminality and consumption of alcohol (2.68 vs. 2.42). Regarding this adverse social impact, the independent samples t-tests corroborated the findings of the bivariate correlations and indicated that participants with tertiary education demonstrated higher disagreement with the notion that tourism activity increases criminality and consumption of alcohol (2.45 vs. 2.96). Furthermore, participants who reside in Corfu for more than 10 years demonstrated greater disagreement with the proposition that tourism improves aspects of the destination's physical environment (2.04 vs. 2.50). Lastly, residents who are occupied in tourism-related professions demonstrated less agreement with the suggestion that tourism leads to a high cost of living (3.74 vs. 3.98).

Table 5.	Bivariate	correlations.
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		age	educational level	years of stay	Economic Development	High Cost of Living	Physical Environment	Alcohol & Crime
age	Rho	1.000						
	<i>p</i> -value	-						
educational	Rho	0.052	1.000					
level	<i>p</i> -value	0.343	-					
years of stay	Rho	0.105	-0.167	1.000				
	<i>p</i> -value	0.053	0.002	-				
Economic	Rho	0.017	-0.011	-0.043	1.000			
Development	<i>p</i> -value	0.756	0.842	0.431	-			
High Cost of	Rho	-0.024	-0.043	-0.055	0.451	1.000		
Living	<i>p</i> -value	0.664	0.431	0.311	0.000	-		
Physical	Rho	0.023	0.046	-0.148	0.436	0.116	1.000	
Environment	<i>p</i> -value	0.667	0.398	0.006	0.000	0.032	-	
	Rho	-0.044	-0.120	-0.046	0.297	0.427	0.302	1.000
Alcohol & Crime	<i>p</i> -value	0.419	0.027	0.395	0.000	0.000	0.000	-

Notes: 1) N = 340; 2) Statistically significant correlations (p < 0.05) appear in bold.

 Table 6. Independent samples T-Tests.

	Gender		Educational Level		Years of Stay		Tourism Related Occupation	
	Male	Female	Not tertiary	Tertiary	Up to 10 years	Greater than 10 years	No	Yes
Economic Development	3.62	3.41	-	-	-	-	-	-
High Cost of Living	-	-	-	-	-	-	3.98	3.74
Physical Environment	-	-	-	-	2.50	2.04	-	-
Alcohol & Crime	2.42	2.68	2.96	2.45	-	-	-	-
n	165	175	71	269	40	300	201	139

Notes: 1) Differences between groups were assessed with Independent Samples T-Tests; 2) Only statistically significant differences (i.e., p < 0.05) between groups are presented; 3) The difference in the mean values for economic development between male and female participants has a *p*-value of 0.0506 (i.e., borderline insignificant).

4.4. Confirmatory Modelling Strategy

To conduct a holistic examination of the relationships among latent variables measuring residents' perceptions and simultaneously examine the first four hypotheses, the study employed a confirmatory modelling strategy. The structural model had a satisfactory model fit and the structural relationships *corroborated* H_1 , H_2 , H_3 and H_4 (**Table 7** and **Figure 1**). More specifically, (tourism-driven) economic development was found to positively affect higher cost of living ($\beta = 0.62$, p < 0.001) and (improvement of the destination's) physical environment ($\beta = 0.47$, p < 0.001). In other words, economic development was perceived to lead to high cost of living and improvement of the physical environment at the des-

tination. Subsequently, high cost of living ($\beta = 0.43$, p < 0.001) and improvement of the physical environment ($\beta = 0.24$, p < 0.001) positively affected crime and alcohol consumption at the destination. Regarding the predictive power of the modelled relationships, perceived economic development (ED) explained 37.9% of the variance in perceived higher cost of living (HCL) and 21.8% in perceived improvement of the destination's physical environment (PE). HCL and PE in combination explained approximately 30.1% of the variance in perceived alcohol consumption and crime at the destination (AC).

Although there was no significant direct effect from ED to AC, the study proceeded to investigate the significance of existing indirect effects (Hayes, 2009). **Table 8** shows that there is a significant positive indirect effect from ED to AC through PE and HCL ($\beta = 0.38$, p = 0.018). Thus, it appears that (tourism-driven) economic development leads to increases in alcohol & crime, through increases in cost of living and improvements of the destination's physical environment.

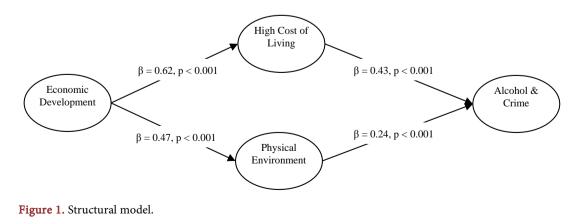
Table 7. Regression weights of the structural model.

Outcome Variable		Predictor Variable		Standardized Estimate (β)	S.E.	C.R.	<i>p</i> -value	Squared Multiple Correlations
HCL	←	ED	0.57	0.62	0.063	9.06	p < 0.001	0.379
PE	←	ED	0.54	0.47	0.069	7.79	p < 0.001	0.218
AC	←	HCL	0.43	0.43	0.068	6.23	p < 0.001	0.201
AC	←	PE	0.19	0.24	0.047	3.94	p < 0.001	0.301

Notes: 1) n =340; 2) Model fit statistics: CMIN/DF = 1.994, CFI = 0.981, TLI = 0.974, RMSEA = 0.054, PCLOSE = 0.314, SRMR = 0.046.

Table 8. Indirect effect of ED on AC.

Outcome	Mediator(s)	Predictor	Standardized Estimate (β)	<i>p</i> -value
AC	PE	ED	0.11	-
AC	HCL	ED	0.27	-
AC	PE + HCL	ED	0.38	0.018



5. Discussion and Implications

The present study corroborates prior research, but simultaneously reveals certain novel aspects concerning residents' perceptions of tourism impact. In accordance with existing literature, the results support the notion that tourism's impact is perceived to encompass socioeconomic and environmental dimensions (Andereck et al., 2005) and indicate that women are less positively predisposed towards tourism-driven economic development than men (Mason & Cheyne, 2000). However, contrary to prior research (e.g., Bastias-Perez & Var, 1995), this study showed that residents' perceptions of tourism's social impact were affected by educational level. Given that the successful planning and implementation of tourism strategy is largely contingent upon including all residents of a destination, destination management organizations (DMOs) are advised to incentivize the economic participation of women in tourism activity. Greater participation and inclusion of women may enable them to fully grasp the positive economic impact of tourism on the destination and the local community. Furthermore, as educational level appears to be associated with less negative perceptions of tourism's social impact, DMOs could challenge existing preconceptions by educating residents about the positive sociocultural impact of tourism activity on the destination.

The investigation of the interrelationships between different dimensions of tourism impact showed that while residents perceive tourism to economically benefit their destination, it simultaneously makes life on the island more difficult. Increases in the cost of living are expected to be largely felt by residents who do not reap the economic benefits associated with tourism. Thus, a higher cost of living may increase social inequalities and harm the welfare of certain parts of the resident population that are excluded from tourism development. Identifying ways to mitigate the adverse effects of higher prices on residents may require cooperation between local authorities and the central government.

This study uses a bottom-up approach (i.e., residents' perceptions) to evaluate the tourism development of Corfu. However, it is imperative that future research includes a top-down perspective based on the perspective of destination managers, tourism development authorities, and local businesses. The optimal combination of these two approaches will offer support for holistic and feasible tourism management in Corfu. Future research should focus on selected tourist destinations to examine whether the same results can be obtained and provide a framework for developing a tourism positioning strategy. Finally, broadening the research context will create new avenues for managing the adverse socioeconomic effects of tourism on local communities, with an emphasis on higher cost of living and potential social ills.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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