

## CONTEMPORARY CHALLENGES OF ISLAND TOURISM DEVELOPMENT

**Josip HORVAT**

PhDc., Faculty of Tourism and Hospitality Management,  
University of Rijeka, Croatia  
e-mail: josiphorvat85@gmail.com

**Zvonimira SVERKO GRDIC**

Full Professor, Faculty of Tourism and Hospitality Management,  
University of Rijeka, Croatia  
e-mail: zgrdic@fthm.hr

**Filipos RUXHO**

Assistant Professor, Department of Business and Management  
Universum College, Prishtina, Kosovo  
e-mail: filip.ruxho@universum-ks.org  
(Corresponding Author)

### Abstract

Island tourism development is increasingly shaped by challenges arising from pronounced seasonal concentration of tourism demand, pressure on communal infrastructure, and cumulative environmental stress in a mature island destination. These challenges are particularly pronounced in mature island destinations, where cumulative pressures require adaptive governance and context-specific policy responses. This paper explores the contemporary challenges of island tourism development through a qualitative case study of Mali Lošinj, one of Croatia's most developed island tourism destinations. The study adopts a qualitative case study approach based on document and discourse analysis of strategic and institutional materials related to tourism development in Mali Lošinj. Selected findings from a survey conducted among local residents in September 2025 are used as a supplementary source of evidence for triangulation purposes. The survey captures residents' perceptions of tourism-related pressures and sustainability-oriented policies but does not serve as the primary research method. The findings indicate that Mali Lošinj faces interconnected challenges related to seasonal tourism concentration, infrastructure capacity constraints, and cumulative pressure on the natural environment, including pronounced seasonality and governance-related implementation constraints. While sustainability is strongly embedded in institutional discourse and strategic planning, persistent development pressures highlight gaps between policy intentions and practical outcomes. Residents' perceptions largely align with institutional assessments regarding key challenges, although uncertainties remain concerning the effectiveness of sustainability measures. The paper contributes to the literature on island tourism development by illustrating how general sustainability challenges materialise in a mature island context.

**Keywords:** Island tourism; sustainable tourism development; island destinations; tourism governance; Mali Lošinj

**JEL Classification:** O20, 044, R11

**Citation:** Horvat J., Grdic S. Z., Ruxho F., 2026. "Contemporary challenges of island tourism development", Sustainable Regional Development Scientific Journal, Vol III. (1), pp.67-78

## **1. Introduction**

Island destinations occupy a distinctive position within contemporary tourism development due to their spatial isolation, limited resource base, and heightened sensitivity to external pressures. Uneven spatial development of tourist destinations affects the economy, society, and the environment and represents an important factor in shaping sustainable development strategies (Krabokoukis, Polyzos, 2022). Tourism often represents a dominant economic activity on islands, generating income and employment while simultaneously intensifying environmental, infrastructural, and socio-economic pressures (Dłużewska and Giampiccoli 2021). As a result, island tourism development is frequently characterised by a structural tension between economic dependence on seasonal tourism revenues and the capacity of local infrastructure and ecosystems to absorb peak tourism demand. In recent decades, these tensions have become increasingly visible through pronounced seasonality, pressure on carrying capacity, environmental degradation, and growing concerns among local residents regarding the balance between tourism benefits and social costs (Gkarane et al. 2025). Consequently, the concept of sustainable tourism has gained relevance in island contexts, not merely as a normative development goal but as a practical necessity for maintaining the long-term viability of island destinations. However, translating sustainability principles into effective local policies and governance arrangements remains a persistent challenge, especially in mature destinations where tourism intensity is already high (Mihalic 2020). Within this broader context, the Croatian islands provide a particularly relevant setting for examining contemporary tourism challenges. As predominantly small and medium-sized islands with a strong orientation towards tourism, they face many structural vulnerabilities such as seasonal demand fluctuations, limited infrastructure capacity, and high sensitivity of coastal and marine environments. At the same time, differences in development trajectories and governance responses suggest that sustainability challenges are not uniform across islands but instead manifest in place-specific ways (Connell 2018). Mali Lošinj represents a distinctive case within Croatian island tourism. As one of the country's most developed island destinations, it has a long tourism tradition and a strong positioning in health, wellness, and nature-based tourism. At the same time, high tourism intensity, seasonal concentration of demand, and reliance on a fragile island environment raise critical questions regarding the long-term sustainability of its development model. These characteristics make Mali Lošinj a suitable case for examining how general challenges of island tourism development materialise at the local level. The objective of this paper is to identify and analyse contemporary challenges of island tourism development through a qualitative case study of Mali Lošinj. The study adopts an exploratory and interpretative approach, focusing on sustainability-related challenges specific to the local context. The analysis is based on qualitative examination of strategic documents, institutional reports, and policy frameworks, complemented by selected findings from a survey conducted among local residents, used as a supplementary source of evidence for triangulation purposes (Nunkoo and Ramkissoon 2011). This paper argues that sustainability is strongly embedded in the strategic and institutional framework of tourism development in Mali Lošinj, but that its practical implementation is constrained by pronounced seasonality and the infrastructural limits of a mature island destination.

Accordingly, the paper addresses the following research questions (RQ):

- RQ1: How is sustainability conceptualised and framed in the strategic and institutional documents governing tourism development in Mali Lošinj?
- RQ2: To what extent are sustainability objectives implemented in practice, particularly with regard to managing seasonality, infrastructure capacity, and environmental pressures in a mature island destination?
- RQ3: How do local residents perceive key tourism-related pressures and the effectiveness of sustainability-oriented measures?

This study contributes to the literature on sustainable regional development and island tourism governance in several important ways. First, it provides an in-depth empirical examination of how sustainability discourse is translated into practice in a mature island tourism destination, moving beyond purely conceptual discussions of island vulnerability. While previous studies frequently address structural challenges of island tourism, fewer analyses explore the implementation gap between sustainability-oriented strategies and operational realities at the

local governance level. Second, the paper advances the understanding of sustainability challenges in mature destinations by conceptualising them as cumulative and path-dependent processes rather than isolated pressures. The case of Mali Lošinj illustrates how long-term tourism intensity creates structural constraints that limit adaptive capacity, thereby linking tourism governance to broader regional development asymmetries characteristic of small island economies. Third, by triangulating institutional narratives with residents' perceptions, the study integrates governance and social acceptance perspectives, highlighting the importance of community legitimacy in sustaining regional tourism development. This contributes to sustainable regional development research by emphasising that effective sustainability transitions in island regions depend not only on strategic planning, but on governance capacity, coordination mechanisms, and local trust. Finally, the paper offers a place-based analytical framework applicable to other mature island destinations facing similar seasonality-driven structural constraints, thus contributing to comparative regional development research in tourism-dependent island contexts.

## **2. Contemporary challenges of island tourism development**

Island tourism development is shaped by structural characteristics that fundamentally differentiate islands from mainland destinations. Spatial isolation, limited land availability, dependence on external markets, and restricted infrastructure capacity create a development context in which tourism growth represents both an opportunity and a source of vulnerability (Ridderstaat and Nijkamp, 2016). These characteristics are not temporary constraints, but long-term conditions that shape development trajectories and influence sustainability outcomes. One of the most persistent structural challenges is the pronounced seasonality of tourism traffic (Tsiotas, Krabokoukis, Kantianis, 2025). Tourism demand on islands is usually concentrated within a limited period, resulting in sharp fluctuations in economic activity, employment, and infrastructure use. Many island economies are heavily dependent on international tourism revenues, which exposes them to external economic shocks and demand fluctuations (Sheller, 2021). Seasonality is not only a question of demand, but a structural development challenge that increases economic dependence on tourism, while creating intense pressure during peak periods and underutilisation during the off-season (Gkarane et al., 2025). Seasonality directs most income and activity to a limited period of the year, amplifying the instability of income and employment for local communities (Weis, Chambers, Holladay, 2021; Movono and Scheyvens, 2022). Likewise, dependence on one sector reduces the ability to recover quickly from crises such as pandemics or extreme weather events (Gi, Onggo, Kunc, Bayer, 2021). Diversification strategies include the development of the blue economy and related activities that can offer alternative sources of income and greater economic resilience. The growth of peer-to-peer accommodation can change the supply structure, deepen regional imbalances, and increase seasonal pressures in urban areas of the island (Crisman and Winters, 2023). Overtourism on islands manifests as service overload, loss of utility benefits, and environmental degradation, especially in destinations with institutional deficiencies (Wolf, 2021). The concept of excessive tourism provides an analytical framework for understanding situations in which tourism intensity exceeds ecological, social, or infrastructural capacity (Mihalic, 2020). In island contexts, overtourism is often not defined by the absolute number of visitors, but by the relationship between tourist flows and limited spatial capacity (School of Business, University of Strathclyde, Glasgow, G4 0LG, UK et al., 2022). Political and market mechanisms that favour unrestricted growth often lead to social inequality and the marginalisation of local interests in tourism development (Wolf, 2021). Carrying capacity assessment tools such as capacity indices can help define quantitative visitation limits to conserve resources (Leka, Lagaris, Panagiotopoulou, 2022). Climate change threatens beaches, infrastructure, and tourism resources through sea level rise and increased storm intensity, extreme weather events, loosing biodiversity, requiring spatial planning and adaptation. Climate change adaptation systems that link tourism management with risk management can reduce the exposure of island destinations to climate shocks (Menegaki, Tugcu, 2025). Climate disasters and repeated external shocks increase reconstruction costs, creating a vicious cycle of degradation and economic losses for island communities (Hafsi, Aguilar-Becerra, Frausto-Martinez, 2023).

Increased tourism pressure significantly raises water demand and strains treatment systems, threatening coastal water quality and local water resources (Connell, Taulealo, 2021). Solid waste generation and wastewater treatment often exceed the capacities of island systems, damaging ecosystems and the attractiveness of destinations (Burbano, Valdivieso, Izurieta, Meredith, Ferri, 2022). Overexploitation of coastal and marine habitats due to mass and unregulated tourism can reduce biodiversity and disrupt ecosystem services (Weis, Chambers, Holladay, 2021). The constraints of energy networks and reliable water supply systems require investments in renewable energy sources and water reuse for long-term sustainability. Technological and infrastructural innovations can reduce costs and increase island autonomy, but require strategic funding and training of local staff (Pathak, Beynen, Akiwumi, Lindeman, 2021). Investments in public infrastructure need to be aligned with visitor management to prevent service collapses during peak seasons (Burbano, Valdivieso, Izurieta, Meredith, Ferri, 2022; Leka, Lagaris, Panagiotopoulou, 2022). The impact of tourism on local communities includes changes in employment opportunities, values, and perceptions of the authenticity of cultural practices. Increasing tourism can erode a sense of authenticity and local tradition if development is not participatory and inclusive of local residents (Agius, Briguglio, 2021). Demographic changes, such as youth emigration and the reorientation of the market towards seasonal employment, further weaken the social structure of islands (Gu, Onggo, Kunc, Bayer, 2021). Socio-ecological resilience at the community level is linked to participatory tourism models that strengthen local capacities and control over resources. The COVID-19 pandemic has highlighted the vulnerability of island tourism and created an opportunity to reconsider development paradigms based on mass tourism. Many island communities have experienced significant declines in income during the pandemic and have been forced to seek alternative sources of livelihood (Hafsi, Aguilar-Becerra, Frausto-Martinez, 2023; Reksa, Lissandhi, Syahid, 2021). Responses include short-term support measures, as well as initiatives to boost domestic tourism and policies aimed at greater resilience to future health and climate risks (Agius, Briguglio, 2021). Management strategies that combine demand-side mitigation, promotion of high-quality tourism, and strengthened local participation have shown promise in the literature (Reksa, Lissandhi, Syahid, 2021). Examples include the development of adaptation plans, visitor management schemes, and the promotion of ecotourism to mitigate seasonality (Movono, Scheyvens, 2022). Regional cooperation and knowledge exchange among islands can accelerate the adoption of solutions to common challenges such as water and energy availability and waste management. Modelling techniques and resilience indices assist policymakers in assessing recovery scenarios and long-term risks (Ruggieri, Calo, 2022). Introducing standards for sustainable management and transparent participation mechanisms can reduce institutional weaknesses that favour excessive growth and marginalisation of communities (Wolf, 2021; Agius, Briguglio, 2021). A focus on the blue economy and diversification of the sector can create new revenue channels, but requires assessment of social and environmental consequences. The combination of political measures, technical solutions, and local engagement will be crucial for the sustainable transition of island destinations. In future planning, it is important to integrate climate change scenarios, pandemic risks, socio-economic vulnerabilities, and development strategies. The resilience of island tourism will depend on the ability to manage the environment, economy, and social interests synergistically through inclusive and flexible policies. The perceptions and attitudes of residents are therefore a key element of sustainable tourism management, especially in island destinations where tourism directly affects everyday life (Qin et al., 2025)

### **3. Methodological approach**

This study adopts a qualitative case study approach to explore contemporary challenges of island tourism development in the specific context of Mali Lošinj. The case study design is particularly suitable for analysing complex, place-specific phenomena where the aim is in-depth understanding rather than statistical generalisation. The primary methodological focus is qualitative document and discourse analysis. The analysis draws on strategic and institutional documents related to tourism development in Mali Lošinj, including tourism development strategies, sustainability programmes, and official reports issued by local authorities. The documents were selected based on their formal relevance to tourism

governance between 2013 and 2025. A qualitative thematic analysis was conducted to identify recurring sustainability-related concepts, governance mechanisms, and implementation constraints. The analysis followed an interpretative coding approach, focusing on the alignment between policy discourse and implementation challenges. These sources provide insight into policy priorities, governance arrangements, and the institutional framing of sustainability challenges. In addition, selected findings from a survey conducted among the local population are incorporated as a supplementary data source. The survey was administered online via Google Forms in October 2025 and was open to registered residents as well as individuals residing on the island for more than nine months per year. Participation was voluntary and anonymous, and 163 valid responses were collected. Survey data are used exclusively for triangulation purposes and are not employed as a primary research method or for hypothesis testing (Nunkoo and Ramkissoon 2011). Instead, they provide insight into residents' perceptions and allow comparison between institutional narratives and community experiences, thereby enhancing the interpretative robustness of the analysis.

This study is limited by its qualitative design and reliance on document analysis and a supplementary survey sample (N=163). The findings cannot be statistically generalised but aim to provide contextual insight into governance challenges in a mature island destination.

#### **4. Results: Sustainability challenges in Mali Lošinj**

##### **4.1. Sustainability discourse in strategic and institutional documents**

Strategic documents, such as national strategies and recovery plans, help to integrate environmental and social goals into tourism policy. The integration of policies and plans allows for the harmonisation of measures and indicators that support the sustainable management of destinations. Strategic documents connect national policies with local plans and regulations, enabling a coordinated approach to destination development. Implementing sustainability through strategic documents requires concrete tools to assess acceptable changes and scenario planning to manage tourism pressures. However, implementation often faces challenges such as weak regulatory standards, insufficient public-private sector cooperation, and institutional constraints. This section addresses RQ1 by analysing how sustainability is conceptualised and framed in strategic and institutional documents guiding tourism development in Mali Lošinj. Mali Lošinj is one of the most developed island tourism destinations in Croatia, characterised by a long-standing tourism tradition and a strong integration of tourism into the local socio-economic structure. Tourism plays a central role in the local economy, shaping employment patterns, infrastructure development, and the overall development orientation of the destination. As an island destination with limited spatial and environmental resources, Mali Lošinj operates within a context in which tourism development has historically functioned both as a driver of economic growth and as a source of cumulative pressures on infrastructure systems, coastal space, and local environmental resources. The development trajectory of tourism in Mali Lošinj reflects a gradual transition from traditional seaside tourism towards more diversified forms, particularly health, wellness, and nature-based tourism. This strategic positioning is consistently emphasised in official planning documents, which highlight the destination's natural assets, favourable climatic conditions, and long-established reputation in health tourism. Diversification has contributed to strengthening the destination's identity and market position, while also reinforcing its status as a mature tourism destination characterised by relatively high levels of visitor intensity. Tourism development in Mali Lošinj is guided by a set of institutional and strategic frameworks that explicitly recognise sustainability as a key development principle (*Strategija razvoja turizma: Mali Lošinj i Cres* 2021). Local and regional strategies emphasise the need to balance tourism growth with environmental protection, quality of life for residents, and long-term economic resilience. Policy objectives typically include controlled tourism development, improvement of tourism quality, mitigation of environmental impacts, and alignment of tourism activities with the island's carrying capacity (*Program razvoja održivog turizma Grada Mali Lošinj* 2013). These documents also stress the importance of cooperation among local authorities, tourism stakeholders, and the local community. At the operational level, tourism development is supported by multiple institutional actors, including local government bodies, tourism organisations, and public service providers. Official reports

indicate continuous efforts in destination promotion, product development, and infrastructure improvement aimed at supporting tourism demand. At the same time, these documents acknowledge structural constraints related to seasonality, infrastructure capacity, and environmental sensitivity, which are inherent to the island context and become particularly pronounced during peak tourism periods (Turistička zajednica Grada Malog Lošinja 2025). Overall, the combination of a strong tourism orientation, long-term development intensity, and an explicit institutional commitment to sustainability places Mali Lošinj in a distinctive position within the Croatian island tourism system. While the destination benefits from accumulated experience, a strong tourism brand, and diversified products, its maturity also implies exposure to cumulative pressures that require ongoing adaptation of governance practices related to infrastructure management, environmental protection measures, and coordination among local tourism institutions. This context provides the foundation for analysing the key sustainability challenges faced by Mali Lošinj.

#### **4.2. Implementation constraints in a mature island destination**

This section addresses RQ2 by examining the main constraints affecting the practical implementation of sustainability objectives in a mature island tourism destination. Implementing a sustainable development strategy in mature tourism destinations presents several challenges that require careful consideration. Sustainable development today reflects a strong commitment to inclusion, emphasising principles such as “for all,” “leaving no one behind,” and prioritising those who are most disadvantaged (Sepetis, Krupavičius, Ladas, 2024). Inclusive and sustainable development needs to be clearly defined to ensure a clear and, ideally, empirically operational distinction at any level between genuinely inclusive social protection policies (Sepetis, 2024). A significant issue is the lack of understanding of both the potential and limitations of sustainability, which makes it difficult to measure progress towards sustainability goals. Additionally, ageing infrastructure and declining visitor numbers in mature destinations highlight the need for innovative responses to environmental and social challenges (Heald, 2023). Stakeholder engagement is essential, as effective measurement and implementation of sustainability strategies depend on the involvement of all relevant actors. Moreover, balancing economic growth with environmental protection remains a constant challenge, requiring strategic planning to optimise resource allocation and encourage community participation (Ou, 2025). Transforming mature tourist resorts into sustainable destinations also demands a shift from simple renovations to the establishment of collaborative networks among stakeholders. However, some authors note that the complexity of relationships among stakeholders can hinder the effective implementation of sustainable strategies, as conflicting interests may complicate consensus-building. The sustainability challenges encountered in Mali Lošinj reflect broader patterns characteristic of mature island tourism destinations, while also displaying place-specific features linked to the island’s development trajectory and governance arrangements. Although sustainability is strongly emphasised in strategic documents, practical implications of tourism intensity reveal the interaction between peak-season population surges, limited capacity of transport and communal infrastructure, increased pressure on coastal environments, and coordination demands across local institutions. A central challenge is the pronounced seasonality of tourism demand and the resulting pressure on local infrastructure and public services (Gkarane et al. 2025). Tourism activity remains highly concentrated during the summer months, leading to significant temporary increases in population that far exceed the island’s permanent population. This seasonal concentration places considerable strain on transport systems, water supply, wastewater treatment, waste management, and other communal services, which are primarily designed to serve resident needs. Despite ongoing infrastructure investments, peak-season demand continues to expose structural capacity limits, highlighting the persistent tension between tourism intensity and island infrastructure constraints. Although seasonality is consistently identified as a central sustainability challenge in strategic documents, responses remain largely reactive and focus on managing peak-period pressures through infrastructure and service provision rather than addressing the underlying tourism development model. As a result, sustainability objectives are primarily implemented through capacity adjustments during the summer season, while structural dependence on highly seasonal tourism demand remains largely unchanged. Unlike less developed Croatian islands,

Mali Lošinj demonstrates institutional awareness of sustainability challenges; however, the structural dependence on high-intensity seasonal tourism suggests path dependency typical of mature destinations. Environmental pressures represent another key dimension of sustainability challenges in Mali Lošinj. The natural environment, particularly coastal and marine ecosystems, constitutes a core component of the destination's tourism appeal. However, cumulative pressures resulting from high visitor density during summer months, increased traffic congestion, and intensified use of coastal and recreational areas intensify stress on fragile ecosystems, especially during peak periods. These pressures are often gradual rather than acute, manifesting through congestion, spatial overcrowding, and increased use of natural areas. In this sense, elements commonly associated with overtourism emerge implicitly, highlighting the relevance of carrying capacity considerations in managing tourism development (Mihalic 2020). Sustainability challenges in Mali Lošinj also manifest in seasonal employment patterns, limited economic diversification beyond tourism, and coordination challenges among local governance actors. While tourism generates significant economic benefits, including employment and income, these benefits are closely tied to seasonal cycles and are not evenly distributed across the local community. High dependence on tourism limits opportunities for economic diversification and increases vulnerability to external shocks, while seasonal employment patterns contribute to labour market instability (Nesticò and Maselli 2020). At the governance level, strategic objectives related to sustainability face implementation challenges arising from institutional fragmentation, coordination difficulties, and the complexity of managing tourism within an island setting. Taken together, these challenges highlight that sustainability issues in Mali Lošinj are not isolated problems but rather the outcome of cumulative and interconnected processes. The coexistence of a strong sustainability discourse and persistent development pressures points to the importance of adaptive, context-sensitive governance approaches capable of addressing the specific conditions of mature island destinations.

#### **4.3. Residents' perceptions of tourism pressures and policy effectiveness (RQ3)**

This section addresses RQ3 by examining residents' perceptions of key tourism-related pressures and the perceived effectiveness of sustainability-oriented measures, using survey findings for triangulation purposes.

Research on residents' perceptions of tourism pressures and the effectiveness of public policies has been conducted in various contexts. Abdullah et al. found that residents' attitudes mediate their resistance to tourism in Malaysia, with perceived overcrowding and pressure on public services significantly influencing resistance levels (Abdullah et al., 2025). While the above research provides valuable insights, differences in perceptions across regions and community types indicate that a one-size-fits-all approach to tourism policies is ineffective. Instead, policies should be tailored to the specific socio-demographic and cultural characteristics of communities to ensure sustainable tourism development and reduce tensions between residents and visitors. Within the wider context of Croatian island tourism, Mali Lošinj stands out due to its long-term tourism development, high tourism intensity, and explicit institutional commitment to sustainability. While many Croatian islands face similar challenges related to seasonality, infrastructure constraints, and environmental sensitivity, Mali Lošinj is distinguished by the cumulative effects of decades of tourism development and by the maturity of its tourism system. Tourism has functioned as a dominant economic activity for an extended period, resulting in a high level of institutional experience, destination branding, and product diversification. This long-standing orientation has enhanced economic resilience and market visibility, but it has also intensified exposure to cumulative environmental and infrastructural pressures that are less pronounced in less developed island destinations. Another defining feature of Mali Lošinj is the prominence of sustainability within official planning and policy discourse. Sustainability principles are explicitly integrated into strategic documents and development programmes, positioning Mali Lošinj among destinations where sustainable tourism is framed as a central development objective rather than an emerging concept. Nevertheless, the persistence of pressures related to seasonal overcrowding, strain on public services, and environmental stress during peak tourism periods suggest that the key challenge lies not in strategic articulation but in effective implementation within the constraints of island governance.

Mali Lošinj can therefore be characterised as a mature island destination in which sustainability challenges arise primarily from the need to reconcile long-established tourism structures with evolving sustainability demands. This distinctiveness reinforces the relevance of Mali Lošinj as a case study for examining contemporary challenges of island tourism development in destinations where future sustainability depends on adaptive governance and effective policy coordination.

### **5. Residents' and institutional perspectives**

The analysis of sustainability challenges in Mali Lošinj is further enriched by considering both institutional perspectives and residents' perceptions of tourism development. The understanding of sustainable development by institutions and local communities in Croatia covers various aspects essential to its implementation. Institutions recognise the importance of education for sustainable development, including empowering local communities through educational programmes that promote critical thinking and natural resource management. In addition, it should be noted that both the performance and sustainability of the tourism industry depend on institutional factors (Beha, Polo, Bogdan, Palma, 2024). Local knowledge and cultural heritage play a crucial role in the sustainable development of rural areas, where the resources and experiences of local people are utilised to achieve sustainable goals. In urban areas, the successful implementation of sustainable tourism requires the active participation of local people and the development of strategies that involve all stakeholders. However, there is criticism that the concepts of sustainable development and sustainability are often vague, which can lead to misuse for specific interests and make their implementation in legislation difficult. This section addresses RQ3 by examining residents' perceptions of tourism-related pressures and the perceived effectiveness of sustainability measures, using survey findings for triangulation purposes. Examining these perspectives in parallel provides insight into how sustainability challenges are framed at the policy level and how they are experienced within the local community. Institutional documents consistently emphasise sustainability as a guiding principle of tourism development. Policy narratives focus on improving tourism quality, protecting environmental resources, mitigating seasonal pressures, and enhancing residents' quality of life. Sustainability is thus presented as an integral component of destination governance, addressed through strategic planning, coordination among stakeholders, and gradual infrastructure improvements. Residents' perceptions, captured through the survey conducted in September 2025, complement this institutional perspective. The survey included both registered residents and individuals residing on the island for more than nine months per year, reflecting a broad representation of the local community. The survey is used solely for triangulation purposes and does not aim to provide a quantitative evaluation of policy effectiveness, but rather to contextualise institutional findings through residents' perceptions. Overall, respondents acknowledged the economic importance of tourism but expressed concerns regarding its intensity and seasonal concentration. Perceived pressures were most frequently associated with infrastructure capacity, public services, and environmental stress during peak tourism periods. While institutional narratives and residents' perceptions largely align regarding key challenges, differences emerge in assessments of policy effectiveness (Nunkoo and Ramkissoon 2011). Although sustainability objectives are clearly articulated in official documents, residents' responses indicate uncertainty about the extent to which these objectives translate into tangible improvements such as reduced congestion, improved communal services, and more balanced tourism flows throughout the year. This divergence highlights the importance of governance capacity, communication, and community involvement in sustaining local support for tourism development. The combined consideration of institutional and residents' perspectives emphasizes the multifaceted nature of sustainability challenges in Mali Lošinj. Triangulating these perspectives provides a more comprehensive understanding of how tourism-related pressures are perceived and managed in a mature island destination.

### **6. Discussion**

From a sustainable regional development perspective, island tourism destinations represent structurally constrained regional systems characterised by economic monoculture, limited diversification capacity, and infrastructural asymmetry. In such contexts, tourism governance

becomes a core regional development mechanism rather than merely a sectoral management issue. The findings of this study demonstrate that the contemporary challenges of island tourism development identified in the literature are clearly reflected in the case of Mali Lošinj, while also revealing destination-specific dynamics linked to the maturity of its tourism system. The analysis confirms that island destinations operate within structurally constrained environments where tourism intensity, environmental limits, and governance capacity interact in complex ways. Challenges such as pronounced seasonality, infrastructure pressure, and environmental sensitivity closely align with patterns discussed in the broader literature on island tourism. In Mali Lošinj, these challenges are amplified by the cumulative effects of long-term tourism development, illustrating how sustainability issues become more pronounced as repeated seasonal peaks place increasing pressure on infrastructure systems and natural resources as destinations reach advanced stages of development. The findings also highlight the central role of governance in shaping sustainability outcomes. Although sustainability is clearly reflected in institutional planning, ongoing development pressures reveal gaps between policy goals and their practical implementation. This supports arguments in the literature that sustainability challenges in tourism often stem from governance limitations rather than from a lack of policy awareness. Comparing institutional perspectives with residents' perceptions further emphasises the social dimension of sustainability. While there is general agreement on the nature of key challenges, differences in perceived policy effectiveness underline the importance of local engagement and trust in institutions. In island contexts, where tourism directly affects daily life, social acceptance emerges as a critical component of sustainable tourism governance. Overall, the discussion reinforces the value of place-based, qualitative approaches in understanding island tourism development. The case of Mali Lošinj illustrates that sustainable tourism in mature island destinations requires continuous adaptation, coordinated governance, and sensitivity to local conditions rather than reliance on generic sustainability solutions. From a regional development perspective, the case of Mali Lošinj illustrates how tourism-dependent island regions face structural development asymmetries, requiring integrated regional governance approaches rather than isolated local interventions.

## **7. Conclusion**

This paper analysed the contemporary challenges of island tourism development through a qualitative case study of Mali Lošinj. By combining conceptual insights from the literature with an in-depth analysis of local institutional frameworks and supplementary survey data, the study provides a comprehensive understanding of sustainability challenges in a mature island tourism destination. The findings indicate that Mali Lošinj faces challenges arising from persistent seasonal tourism concentration, limited infrastructure capacity during peak periods, cumulative environmental pressure, and constraints in implementing sustainability objectives through existing governance arrangements. While sustainability is strongly embedded in strategic planning and policy discourse, persistent development pressures reveal difficulties in translating strategic objectives into effective operational outcomes within the constraints of an island context. Residents' perceptions largely align with institutional assessments of key challenges, particularly regarding seasonal and environmental pressures, but also reveal uncertainties about the effectiveness of sustainability measures. These insights highlight the importance of governance capacity, transparency, and community engagement in sustaining support for tourism development. The case of Mali Lošinj contributes to the literature by illustrating how general sustainability challenges materialise in a mature island context and by emphasising the importance of place-based and adaptive governance approaches. Future research could extend this analysis through comparative or longitudinal studies of island destinations at different stages of tourism development. This case also demonstrates that in mature island tourism destinations the primary sustainability challenge is not the absence of strategic planning, but the limited capacity to implement sustainability objectives within existing infrastructural and institutional constraints. This finding contributes to the literature on island tourism development by highlighting the gap between sustainability-oriented strategies and their practical realisation under conditions of high tourism intensity and seasonality. The case of Mali Lošinj demonstrates that in mature island tourism regions, sustainable development depends less on strategic articulation and more on institutional

capacity to restructure seasonality-driven economic dependence. This insight has broader implications for regional development policy in small island economies across the Mediterranean and beyond.

## References

- Abdullah, N.F.N., Yusaini, N.S.M., Jamin, A. (2025). Understanding Residents' Resistance Towards Tourism: The Mediating Role of Attitudes in Response to Perceived Congestion and Pressure on Public Services. *International Journal of Research and Innovation in Social Science*, IX(XIII), <https://dx.doi.org/10.47772/IJRISS.2025.908000515>
- Agius, K., Briguglio, M. (2021). Mitigating Seasonality Patterns in an Archipelago: The Role of Ecotourism, *Maritime Studies*, pp. 1–13, doi: 10.1007/S40152-021-00238-X
- Almalioti S., Tsiotas D., 2025. "Structural characteristics of the OECD international trade network and their association with economic development", *Sustainable Regional Development Scientific Journal*, Vol II. (2), pp.21-32
- Beha, F., Polo, A., Bogdan, S., Palma, C. (2024). The institutional impact on tourism industry in Southern European Union Countries, *Sustainable Regional Development Scientific Journal*, Vol. 1(1), pp. 93-103
- Burbano, V., Valdivieso, J. C., Izurieta, J.C., Meredith, T. C., Ferri, D.Q. (2022). "Rethink and Reset" Tourism in the Galapagos Islands: Stakeholders' Views on the Sustainability of Tourism Development. *Annals of tourism research empirical insights*, 3(2), doi: 10.1016/j.annale.2022.100057
- Connell, J., Taulealo, T. (2021). Island tourism and COVID-19 in Vanuatu and Samoa: An Unfolding Crisis. *Small States & Territories*, 4(1).
- Crisman, T. L., Winters, Z.S. (2023). Caribbean Small Island Developing States Must Incorporate Water Quality and Quantity in Adaptive Management of the Water-energy-food Nexus. *Frontiers in Environmental Science*, doi: 10.3389/fenvs.2023.1212552
- F Teixeira, S Pescada, F Ruxho, 2024, The efficacy of technical analysis in the foreign exchange market: a case study of the USD/JPY pair, *Sustainable Regional Development Scientific Journal* 1 (2), 68-75
- FJ Teixeira, SSPV Pescada, F Ruxho, C Palma, F Beha, 2024, GLAMPING IN LOW-DENSITY TERRITORIES: THE CASE OF SANTO ALEIXO DA REASTAURA?? O, *Regional Science Inquiry* 16 (1), 71-80
- Gu, Y., Onggo, B.C., Kunc, M., Bayer, S. (2021). Small Island Developing States (SIDS) COVID-19 post-pandemic tourism recovery: A system dynamics approach. *Current Issues in Tourism*, pp. 1–28, <https://doi.org/10.1080/13683500.2021.1924636>
- Hafsi, B., Aguilar-Becerra, C.D., Frausto-Martínez, O. (2023). Assessment of Socioeconomic Resilience to Pandemic Disasters in Island Tourist Destinations. *Sustainability*, July 2023, <https://doi.org/10.3390/su151411246>
- Heald, J. (2023). Application of a Sustainable Destination Framework to Model Mexican Heritage Destination Resilience in Times of Crisis. *Acta Universitaria*, 33, DOI: [10.15174/au.2023.3773](https://doi.org/10.15174/au.2023.3773)
- I Voka, ADF Ruxho, Use of financial technology in Albania, 2022, *ECONOMICUS* No. 21/2022, 36
- Khan A., Tripathi S., Chandiramani J., 2024. "Smart city initiatives and economic growth in india: an empirical analysis", *Sustainable Regional Development Scientific Journal*, Vol. I, (2): Special Issue, pp. 41-56
- Krabokoukis, T., Polyzos, S. (2022). Drawing an indicator of tourism competitiveness and examining its relationship with tourism seasonality for the Greek prefectures. *Regional Science Inquiry*, Vol. XIV (2), pp. 55-70
- Krupavicius, A., Šarkute, L., Krasniqi, A., Ladias, Christos Ap. 2024. "Perceived and desired images of society: how (un)equal is society?" *Regional Science Inquiry*, 16(1), pp. 55-70
- Ladias C.A., Ruxho F., Teixeira F., Pescada S., 2023, "The regional economic indicators and economic development of Kosovo", *Regional Science Inquiry*, Vol. XV, (1), pp. 73-83
- Lampreia M., Teixeira F., Pescada S. P. V., 2024. "The predictive power of technical analysis: evidence from the gbp/usd exchange rate", *Sustainable Regional Development Scientific Journal*, Vol. I, (3), pp. 67-75
- Leka, A. Lagarias, Panagiotopoulou, M. (2022). Development of a Tourism Carrying Capacity Index (TCCI) for sustainable management of coastal areas in Mediterranean islands–Case study Naxos, Greece. *Ocean & Coastal Management*, 216, <https://doi.org/10.1016/j.ocecoaman.2021.105978>
- Lincaru C., Tudose G., Cosnita D., Pirciog S., Grigorescu A., Ciuca V., 2024. "Clusters as engines of sustainable employment growth in Romanian", *Sustainable Regional Development Scientific*

- Journal, Vol. I, (3), pp. 10-27
- Menegaki, A. N., Tugcu, C.T. (2025). How does global and local climate change awareness influence tourists' willingness to contribute do environmental solutions?. *Regional Science Inquiry*, Vol. XVII (1), pp. 37-49
- Movono, A., Scheyvens, R. (2022). Adapting and Reacting to COVID-19: Tourism and Resilience in the South Pacific. *Pacific Dynamics*, 6(1), <https://mro.massey.ac.nz/handle/10179/69041>
- Ou, Y., (2025). Research on Strategic Planning for Sustainable Development of Tourism. *Frontiers in Business, Economics and Management*, 18(1), <https://doi.org/10.54097/4303hb51>
- Papajorgji P., Tordi A., 2024. "Using quantitative tools to understand political issues", Sustainable Regional Development Scientific Journal, Vol. I, (3), pp. 28-35
- Pathak, A., Beynen, P. E., Akiwumi, F.A., Lindeman, K.C. (2021). Impacts of Climate Change on the Tourism Sector of a Small Island Developing State: A Case Study for the Bahamas. *Environmental Development*, 37, doi: 10.1016/J.ENVDEV.2020.100556
- Pescada S., Correia I., Teixeira F., Ruxho F., 2025. "Social and territorial impacts of the integrated participation programme in Bela Vista", Sustainable Regional Development Scientific Journal, Vol II. (2), pp.67-74
- Pescada S., Serrario M., Sequeira B., Teixeira F., Ldias Ap. C. Ruxho F., 2025. "Safety culture and continuing care", Sustainable Regional Development Scientific Journal, Vol II. (2), pp.33-44
- Polo A., Beha F., Caca E., Zyberi I., 2025. "Foreign direct investment in real estate and its impact on tourism development in Albania", Sustainable Regional Development Scientific Journal, Vol II. (2), pp.12-20
- Polo A., Caca E., Zyberi I., Ldias C.A, Ruxho F., 2025. "Foreign direct investment in real estate in Albania and its impact on GDP", *Regional Science Inquiry*, Vol. XVII, (1), 2025, pp. 135-142
- Reksa, A. F. A., Lissandhi, A.N., Syahid, C.N. (2021). Reimagining Future Island: The COVID-19 Impacts on Tourism Sector in Small Island Developing States (SIDS) and Strategies to Moving Forward. *Journal of Indonesian social sciences and humanities*, 11(1), doi: 10.14203/JISSH.V11I1.207
- Ruggieri, B., Calò, P. (2022). Tourism Dynamics and Sustainability: A Comparative Analysis between Mediterranean Islands—Evidence for Post-COVID-19 Strategies. *Sustainability*, 14(7), doi: 10.3390/su14074183
- Ruxho F., 2024. "Kosovo employee's perception of economic growth and decent work according to sustainability", Sustainable Regional Development Scientific Journal, Vol. I, (3), pp. 53-66
- Ruxho F., Ldias C.A, 2022. "Increasing funding for the regional industry of Kosovo and impact on economic growth" *Regional Science Inquiry Journal*, Vol. XIV. (1), pp. 117-126
- Ruxho F., Ldias C.A, Tafarshiku A., Abazi E., 2023. "Regional employee's perceptions on decent work and economic growth: labour market of Albania and Kosovo", *Regional Science Inquiry*, Vol. XV, (2), pp.13-23.
- Ruxho F., Ldias C.A., 2022. "The logistic drivers as a powerful performance indicator in the development of regional companies of Kosovo" *Regional Science Inquiry Journal*, Vol. XIV. (2), pp. 95-106
- Ruxho F., Petropoulos D., Negoro D.A. 2024. "Public debt as a determinant of the economic growth in Kosovo", Sustainable Regional Development Scientific Journal, Vol. I, (1), pp. 55-67
- Sarkute L., Sina D., Bello, K., Vercuni A., 2024. "Strategic management decisions in the context of foreign direct investment. The role of institutions and economic determinants", Sustainable Regional Development Scientific Journal, Vol. I, (1), pp. 40-54
- Sejdini In., Sejdini Im., Todri A., Papajorgji P., Ldias C.A., Ruxho F., 2025. "Advancing a new era in higher education management: A stakeholder overview analysis from European and EU non-countries", *Regional Science Inquiry*, Vol. XVII, (2), 2025, pp. 11-23 11
- Sepetis, A. (2024). The implementation of social protection policies at local level according to inclusive and sustainable development. *Regional Science Inquiry*, Vol. XVI(2), pp. 111-130
- Sepetis, A., Krupavičius, A., Ldias, C.A. (2024), Social protection in Greece and sustainable development leaving no one behind. *Sustainable Regional Development Scientific Journal*, Vol. 1(1), pp. 83-92
- Sequeira T., Rego C., Dionisio A., 2024. "Investment and productivity in the agro-industrial sector: a case study", Sustainable Regional Development Scientific Journal, Vol. I, (2): Special Issue, pp. 13-26
- Sheller, M. (2021). Reconstructing tourism in the Caribbean: Connecting pandemic recovery, climate resilience and sustainable tourism through mobility justice. *Journal of Sustainable Tourism*, Vol. 29, No. 9, <https://doi.org/10.1080/09669582.2020.1791141>
- SSPV PESCADA, F RUXHO, C PALMA, 2024, Glamping In Low-Density Territories: The Case Of Santo Aleixo Da Reastaura?? O, *Regional Science Inquiry* 16 (1), 71-80
- Stavara M., Tsiotas D., 2024. "A combined graph theoretic and transport planning framework for the economic and functional analysis of large-scale road networks", Sustainable Regional

- Development Scientific Journal, Vol. I, (2): Special Issue, pp. 27-40
- T Corvo, S Pescada, A Krasniqi, J Vidal, F Ruxho, F Teixeira, 2024, The importance of organizational culture in the performance of family health units–model b in the Algarve region, Hellenic Association of Regional Scientists
- Teixeira F., Pescada, S.S.P.V., Ladas C.A., Hulaj M., Ruxho F., Machado V., 2025. “Stablecoin dp2p: innovation and sustainability in fiat currencies”, *Regional Science Inquiry*, Vol. XVII, (1), pp. 95-106
- Todri A. Papagiorgji P. 2025. “Integrating financial and organizational drivers in SME’s debt dynamics: insights from radial basis function analysis”, *Sustainable Regional Development Scientific Journal*, Vol II. (2), pp. 45-58
- Tsiotas D., Giannakis E., Papadas C., 2025. “A modularity decomposition model of evolving input-output sectorial structure, *Regional Science Inquiry*, Vol. XVII, (1), pp. 107-133
- Tsiotas D., Polyzos S., 2024. “Analyzing the spatial interactions in the nationwide regional capitals network of Greece”, *Sustainable Regional Development Scientific Journal*, Vol. I, (3), pp. 36-52
- Tsiotas, D., Krabokoukis, T., & Polyzos, S. 2020. “Detecting interregional patterns in tourism seasonality of Greece: A principal components analysis approach”, *Regional Science Inquiry*, 12(2), 91-112.
- Tsiotas, D., Krabokoukis, T., Kantianis, D. (2025). Regional Economic Resilience and Tourism Demand: The Case of Greece. *Regional Science Inquiry*, Vol. XVII(2), pp. 101-116
- Tsiotas, D., Niavis, S., Polyzos, S., Papageorgiou, A., 2020. “Developing Indicators for Capturing the Airports Dynamics in Regional and Tourism Development: Evidence from Greece”, *Journal of Air Transport Studies*, 11(1), pp.31-46.
- Tsiotas, D., Polyzos, S., 2024. “Transportation networks and regional development: the conceptual and empirical framework in Greece”, *Sustainable Regional Development Scientific Journal*, Vol. I, (1), pp. 15-39
- Voka I., Dibra R., 2025. “Budget deficit - its impact on the Albanian regional economy and some factors that has influence”, *Sustainable Regional Development Scientific Journal*, Vol II. (2), pp.59-66
- Weis, K., Chambers, C., Holladay, P. J. (2021). Social-ecological resilience and community-based tourism in the commonwealth of Dominica. *Tourism Geographies*, 23(3) doi: 10.1080/14616688.2021.1878267
- Wolf, B., Filho, W.L., Singh, P., Scherle, N., Reiser, D., Telesford, J., Bozic Miljkovic, I., Havea, P.H., Li, C., Kovaleva, M. (2021). Influences of Climate Change on Tourism Development in Small Pacific Island States. *Sustainability*, 13(8), doi: 10.3390/SU13084223