Destination Marketing and Management

Theories and Applications

This page intentionally left blank

Destination Marketing and Management

Theories and Applications

_____

Edited by

Youcheng Wang

University of Central Florida, USA

and

Abraham Pizam

University of Central Florida, USA

cabi

www.cabi.org

A catalogue record for this book is available from the British Library,
London, UK.

Contents

————————————

Contributors

————————————

Shameem Ali (Shameem.Ali@vu.edu.au), Victoria University, Melbourne, Australia.
Graham Brown (Graham.Brown@unisa.edu.au), University of South Australia, Australia.
Dimitrios Buhalis (dbuhalis@bournemouth.ac.uk), Bournemouth University, UK.
Richard Butler (richard.butler@strath.ac.uk), University of Strathclyde, UK.
Laurence Chalip (lchalip@mail.utexas.edu), University of Texas at Austin, USA.
Geoffrey I. Crouch (Geoffrey.Crouch@latrobe.edu.au), La Trobe University, Australia.
Dianne Dredge (dianne.dredge@scu.edu.au), Southern Cross University, Australia.
Galia Fuchs (galiaf@netvision.net.il), Ben-Gurion University of the Negev, Beer-Sheva, Israel.
Alan Fyall (afyall@bournemouth.ac.uk), Bournemouth University, UK.
Dogan Gursoy (dgursoy@cbe.wsu.edu), Washington State University, USA.
Rich Harrill (rharrill@hrsm.sc.edu), University of South Carolina, USA.
Leo Jago (Leo.Jago@nottingham.ac.uk), University of Nottingham, UK.
John Jenkins (john.jenkins@scu.edu.au), Southern Cross University, Australia.
Claudia Jurowski (claudia.jurowski@nau.edu), Northern Arizona University, USA.
John Kracht (jkracht@bellsouth.net), University of Central Florida, USA.
Rob Law (hmroblaw@polyu.edu.hk), Hong Kong Polytechnic University, China.
Daniel Leung (leung.daniel@polyu.edu.hk), Hong Kong Polytechnic University, China.
Xu Li (xuli@mail.ucf.edu), University of Central Florida, USA.
Drew Martin (drmartin@hawaii.edu), University of Hawaii at Hilo, USA.
Trevor Mules (trevor.mules@bigpond.com.au), formerly of University of Canberra, Australia.
Peter O'Connor (oconnor@essec.fr), Essec Business School, Paris, France.
Philip L. Pearce (Philip.Pearce@jcu.edu.au), James Cook University, Australia.
Lori Pennington-Gray (penngray@hhp.ufl.edu), University of Florida, USA.
Abraham Pizam (apizam@mail.ucf.edu), University of Central Florida, USA.
J.R. Brent Ritchie (britchie@ucalgary.ca), University of Calgary, Canada.
Amir Shani (shaniam@som.bgu.ac.il), Ben-Gurion University of the Negev, Israel.
Ercan Sirakaya-Turk (ercan@sc.edu), University of South Carolina, USA.

Jessica Taplin (jessica.taplin@scu.edu.au), Southern Cross University, Australia.
Asli D.A. Tasci (adatasci@hhp.ufl.edu), University of Florida, USA.
Muzaffer Uysal (samil@vt.edu), Virginia Polytechnic Institute and State University, USA.
Andrew R. Walls (arwalls99@gmail.com), San Francisco State University, USA.
Youcheng Wang (raywang@mail.ucf.edu), University of Central Florida, USA.
Eunju Woo (eunjuw3@vt.edu), Virginia Polytechnic Institute and State University, USA.
Arch Woodside (woodsiar@bc.edu), Boston College, USA.

Preface

———————————

The development, marketing and management activities of destinations are very much in line with the development of the tourism industry at the global scale. Various sources have indicated that the tourism industry has the potential to keep growing for quite some time, driven by structural factors such as population growth, economic affluence, business expansion and age-related travel patterns, combined with social factors such as the globalization of cultures and electronic connectedness. As a result, hundreds of thousands of businesses, large and small, play their parts in selling and delivering services to those who travel to various destinations. However, destination marketing and management is a complex issue which requires a comprehensive, holistic and systematic approach to understand it. From the demand side, travellers have a variety of choices of available destinations; from the supply side, destination marketing organizations at different levels are trying their best to compete for attention from a highly competitive marketplace. Therefore, destination competitiveness and attractiveness demand effective and integrative marketing and management strategies which are based on a sound understanding of the market condition.

This book offers a comprehensive understanding of the concept and scope of the tourism industry in general and of destination marketing and management in particular. Taking an integrated and comprehensive approach, it focuses on both the macro and micro aspects of destination marketing and management. Key themes and topics covered include the concept, scope and structure of destination marketing and management, destination planning and policy, consumer decision-making processes, destination marketing research, destination branding and positioning, destination product development and distribution, the role of emerging technologies in destination marketing, destination stakeholder management, destination safety, disaster and crisis management, destination competitiveness and sustainability, and challenges and opportunities for destination marketing and management.

In advocating an integrative and comprehensive approach to destination marketing and management, the book also highlights the changing role of Destination Marketing Organizations (DMOs) to Destination Management and Marketing Organizations (DMMOs). This ongoing and inevitable change occurs as a result of the nature of the tourism product and its consumption at the destination level. Unlike many other products and services, the tourism product is not produced and distributed by a single organization that has total and absolute

control of the production and marketing processes, which include, among others, the establishment of quality standards, prices, channels of distribution and various marketing policies and practices. The tourism product at the destination level is a combination of goods and services that are produced by independent enterprises, each one acting autonomously according to its own needs and interests, and with little consideration for the needs and activities of other enterprises. But, unfortunately, the tourists do not perceive the situation in this manner. From a tourist perspective, the tourism destination is a unified product regardless of its numerous components. When a tourist has an unpleasant experience with a local tourism provider, this experience may result in a halo effect that causes a negative carry-over judgement to other tourism providers and to the destination as a whole. If this holds true for all tourist destinations, one can paraphrase an old saying and claim that 'a tourist destination is only as strong as its weakest component'.

At present, the main function of DMOs is to increase tourist visitation to a destination area. But this is a major challenge given that the DMOs neither shape the product nor control its manufacturing, pricing and delivery and, ultimately, cannot influence tourist satisfaction with the overall experience at the destination. Their role is confined to marketing a tourism destination with their hands 'tied behind their backs'. They receive a number of independently produced products and have to 'put them on the shelf' and market them without having the ability to have an impact on their quality, attributes, prices or means of delivery. Many DMO executives have realized the shortcomings of the distinction between the private sector producers and the public sector marketers, and have quietly called for a change in the role of DMOs and for a greater influence in the management and operation of tourism enterprises at the destination level in a holistic manner. In other words, they wish to turn their DMOs into DMMOs.

This book is a first attempt to analyse the factors that affect the effectiveness of the management and marketing of tourism destinations. We hope that readers will find the text – often written by top experts in their respective fields – both interesting and challenging.

<div align="right">

Youcheng Wang and Abraham Pizam
Rosen College of Hospitality Management
University of Central Florida

</div>

1 Destination Marketing and Management: Scope, Definition and Structures

Youcheng Wang

Destination Marketing and Management: Scope and Definition

Most of tourism activities take place at destinations, and destination forms a pillar in any modelling of the tourism system and has emerged as the fundamental unit of analysis in tourism (Pike, 2008). However, destination marketing and management is a complex issue which requires a comprehensive, holistic and systematic approach to understand it. From the demand side, travellers have a variety of choices of available destinations; from the supply side, destination marketing organizations at different levels are trying their best to compete for attention from a highly competitive marketplace (Heath and Wall, 1992). Therefore, destination competitiveness and attractiveness demand effective and integrative marketing and management strategies which are based on a sound understanding of the market condition (Pike, 2008).

The development, marketing and management activities of destinations are very much in line with the development of the tourism industry at the global scale. Various sources have indicated that the tourism industry has the potential to keep growing for quite some time, driven by structural factors such as population growth, economic affluence, business expansion and age-related travel patterns, combined with social factors

such as the globalization of cultures and electronic connectedness (DMAI, 2008). The United Nations World Tourism Organization (UNTWO; until 2003 the WTO) projects international arrivals to top 1.5 billion by 2020, with associated revenues of more than US$1 trillion (UNTWO, 2010). As a result, hundreds of thousands of businesses, large and small, play their parts in selling and delivering services to those who travel to various destinations (DMAI, 2008).

Effective and integrative marketing and management strategies for destinations dictate a comprehensive understanding of the concept and scope of tourism industry in general and of destination marketing and management in particular. Tourism happens only when a tourist has to leave his (or her) residence for a certain destination by means of transport for various purposes, for example, to enjoy the beautiful landscapes or the different culture of the destination the tourist is visiting. The key factor in defining a tourist is that he or she has to travel away from his or her habitual habitat or residence. For example, a person who visits the Forbidden City in Beijing cannot be regarded as a tourist if he lives and works in Beijing. Therefore, the spatial movement from his residence to the destination plays an important role in realizing his travel desire. While travelling, a tourist will consume the tourism product which brings

economic benefits to the destination/community visited.

It can be argued that from a geographical perspective, spatial movement is a key factor defining the tourism industry that contributes to the understanding of destination marketing and management. In order to streamline the conceptualization of the tourism system and destination marketing and management, Leiper's (1995) model can be adapted (see Fig. 1.1). Leiper (1995) used three elements to describe the tourism system:

1. Geographical elements, which include: (i) the traveller-generating region; (ii) the tourist destination region; and (iii) transit route region. The traveller-generating region (or home region), refers to the place where the tourists come from. It is the generating market that stimulates and motivates travel. The transit route region includes both the short period of travel from the tourists' home region to the destination and other places on the way that the tourists may stop to visit. The tourist destination region is one of the most important elements in the whole tourism system. It emphasizes what the suppliers can do for the tourists. Of course, this includes not only the physical equipment which is crucial to attract tourists, but also the management and service which are helpful in enhancing its images and motivating the visit. In other words, the tourist destination functions as a 'pull' factor in the market and provides an area for most of the tourism activity. The tourist destination region is where the tourists can realize their temporary goal of travel and go through a memorable tourism experience. It provides them with attractions of various types and creates a stage on which planning and management strategies can be carried out.

2. Tourists: tourism is a complete and comprehensive system in which the tourists play an important role. On the one hand, tourism can enrich tourists' experience, widen their horizons and increase their knowledge. On the other hand, tourists can help to improve the tourism environment, to enhance the images of the destinations to push the tourism industry forward and to energize the whole tourism system. In a word, without tourists there would be no tourism. Therefore, it is worthwhile attaching great importance to the study of tourists. Besides this, there are other factors which have an influence on tourism demand, such as economic, social and cultural factors. Depending on the motivation and activities engaged in, tourists/travellers can be classified into different types, such as leisure travellers, business travellers and common-interest travellers. According to the time the tourist travels, there are also day trips or excursions that do not involve an overnight stay. Tourism often refers to journeys or stays at destinations for at least 24 hours.

3. Tourism industry: the tourism industry refers to the businesses and organizations that help to promote the tourism product. According to Leiper (1995), various industrial sectors can be located in different places. In the traveller-generating region, we can find travel agents and tour operators. In the destination region, we can find attractions and the hospitality industry, and in the transit route region, we have the transport sector. The primary tourism industry is composed of travel trade, transport, accommodation and catering, as well as catering facilities and tourist attractions, etc. Different sectors or companies provide these products and services to suit all budgets and tastes.

There are various discussions in the tourism literature about the concept of destination, but a uniform and standard definition of destination has been proven to be elusive and difficult to reach owing to the different permutations and implications associated with such an attempt. Using a systems approach, and supported by consumption patterns of destinations by consumers, it can be argued that a destination is a geographical space in which a cluster of tourism resources exists, rather than a political boundary (Pike, 2008). According to Rubies (2001), a tourism cluster is an accumulation of tourist resources and attractions, infrastructure, equipment, service providers, other support sectors and administrative organizations, whose integrated and coordinated activities provide customers with the experiences they expect from the destination they choose to visit. Adopting such a cluster approach, three major destination cluster

types can be identified: (i) a destination as a part of a political boundary (e.g. the French Quarter in New Orleans, Louisiana and Fisherman's Wharf in San Francisco, California (USA) and Darling Harbour in Sydney, Australia); (ii) a destination as a political boundary (e.g. The Gold Coast, Australia and Las Vegas, Nevada (USA)); and, (iii) a destination across political boundaries (e.g. Alps in Europe and the Mekong Tourism Area in South-east Asia).

Following the same line of reasoning, Dredge and Jenkins (2007) define a destination as a location that a person travels to, and that is distinct from their usual place of residence. They further noted that the boundaries of destinations are necessarily tied to the characteristics of travel patterns, but that destination marketers and managers tend to operate on administrative boundaries that often limit an accurate conceptualization of a destination. In developing a model of destination region, Dredge (1999) identified three characteristics: (i) that tourist-generating markets and destination regions are separate geographical entities; (ii) that the complex and multi-scale nature of destinations means that their conceptualization must be a flexible hierarchical structure adapted to suit different scales, locations and market characteristics; and (iii) that destinations can be single locations or 'chained' in that they can be a set of geographically separate locations linked through travel patterns or touring routes.

Based on the above conceptualization of destination, destination marketing and management can be defined as a proactive, visitor-centred approach to the economic and cultural development of a destination that balances and integrates the interests of visitors, service providers and the community (DMAI, 2008).

Understanding the Driving Factors of Destination Marketing and Management

It should be understood that the tourism system is not an independent or closed system. Its development relies on the support of other external or environmental systems, such as sociocultural, economic, political, physical, etc. Following the same line of reasoning, destination marketing and management has been, and will continue to be, affected by multiple external factors which serve as the driving forces. According to a report of the 2008 Future Studies conducted by KAI (Karl Albrecht International) for the Destination Marketing Association International (DMAI), the following eight 'super trends' have been identified as the driving forces for destination marketing and management (DMAI, 2008, pp. 46–48).

THE CUSTOMER ENVIRONMENT – PROLIFERATING PREFERENCES Travel customers increasingly seek and respond to a diversified set of value clusters (i.e. combinations of experiences, products and prices that suit their individual preferences). Destinations must design, promote and coordinate a satisfying total visitor experience that maximizes the economic contribution to the destination, and one that stimulates return intention and referral behaviour. Destination marketers must craft an ever richer palette of options and target their value packages more skilfully to various preference patterns.

THE COMPETITOR ENVIRONMENT – THE BATTLE FOR ATTENTION As the travel market continues to evolve towards greater fluidity, complexity, disintermediation and reintermediation, visitors and the businesses that sell services to them face a bewildering set of information choices. The proliferation of free online content, especially, creates an intense 'noise level' that makes it difficult for destinations to make themselves the preferred information providers. Destination marketers must become the most popular information source for visitors and the businesses that sell services to them. This will mean becoming more visible to them in all media and, especially, capturing a significant share of the World Wide Web traffic that involves travel decisions.

THE ECONOMIC ENVIRONMENT – DODGING ASTEROIDS The increasingly volatile and uncertain economic environment makes it necessary to plan flexibly, and with various economic

shocks and even catastrophic contingencies in mind. The possibility of another major terrorist incident such as that of 9/11, of an international health pandemic, of a rapid and irreversible rise in oil prices, or other such figurative 'asteroids' that could strike without warning must now be seriously taken into account. Destinations must form their strategic plans and development agendas around alternative economic scenarios, and must have contingency plans for responding to previously unthinkable economic upheavals.

THE TECHNOLOGICAL ENVIRONMENT – SMART AND FRIENDLY WEBSITES   The battle for visitors, and their money, will increasingly be fought out on the Internet and the Web. As website design advances in sophistication, functionality and intelligence, destination marketers will become less visible to visitors and to those who sell services to tourists if they fail to keep pace by developing competing websites that teach, inform, entertain, advise, support and assist the prospective visitor with basic features such as property search tools and tools for the meeting planner. Destination marketers must build, maintain and continually improve state-of-the-art Web-based resources that visitors can rely on for their travel decisions. This includes implementing 'social technologies' such as social networking, community building and user-generated content. It also includes constant attention to search engine optimization and careful analysis of website traffic patterns.

THE SOCIAL ENVIRONMENT – THE ELECTRONIC CULTURE   At the same time that human relationships and communities are becoming ever more physically 'delocalized', atomized and transient, a growing multitude of information experiences and channels connects people to one another, to their various virtual clans and to the media culture at large. Modern cultures are increasingly defined in terms of proliferating numbers of relationships of a more shallow and transient nature. Social networking is becoming a significant method of reaching customer populations by creating specialized communities of interest. User-generated content is also rapidly becoming an important feature of the electronic culture. These trends

in technology and interaction offer opportunities for the meetings business, as well as for consumer marketing, with methods such as the spontaneous formation of affinity groups. Destinations must promote the travel and travel-related benefits they offer in personal enrichment, mutual appreciation between cultures, and reduction of political tension through a sense of community and connectedness. At the same time, they must make their messages viable within the saturated media environment that envelops the prospective travel customers they hope to attract. They can employ various Internet technologies and strategies, such as blogging, web communities, virtual visits and social networking programs that differentiate their destinations to specially targeted demographic and psychographic populations.

THE POLITICAL ENVIRONMENT – THE QUEST FOR RELEVANCE   Destination marketers such as DMOs (destination marketing/management organizations) continue to face confusion, uncertainty and doubt from their local governments, stakeholders and partners regarding the roles they can play and the value they can offer. For many, this results in the perpetual 'pie fight', with an increasing number of contenders seeking a portion of local taxes and municipal forms of funding for non-tourism-related purposes. In very popular destinations, leaders of the political process may question the need to market the destination at all, and citizens may view tourists as an intruding nuisance rather than as contributors to the economic development of the community. DMOs risk being left out of the important strategic conversation that drives important decisions about the development of the community. They must proactively catalyse and lead the local strategic conversation with regard to the role and importance of visitor commerce in the sustainable development of the entire destination. They must also diligently advocate their role in making that visitor commerce a reality.

THE LEGAL ENVIRONMENT – MIXED SIGNALS FROM GOVERNMENT   Governments at a variety of levels in many countries may increasingly impose taxes, laws, and other restrictions upon

travel-related commerce, as part of their political, social, economic, and ecological agendas. Some of these legislative interventions work to the advantage of certain destinations and to the disadvantage of others. Some may lead to competitive retaliation by other governments. In some cases, policies at various political levels may conflict with one another, and may even reflect conflicting policy theories within certain governments. Destination marketers must vigorously oppose unilateral governmental actions that threaten to balkanize the travel sector, and advocate shared solutions that balance economic, ecological, social, and political benefits for all involved.

THE GEOPHYSICAL ENVIRONMENT — GOING GREEN   The intensifying focus on global warming, climate change and related ecological concerns will create pressure at many levels of society and government, and in many economic sectors, to be 'seen as green' (i.e. to appear to be taking the issues seriously and acting upon them). Common sense may be in short supply during this 'hype' phase, and strong leadership will be needed to focus the 'green conversation' along rational pathways for long-term impact. Destination marketers must advocate a realistic balance in the green conversation, promoting intelligent trade-offs and synergistic solutions that combine a rewarding travel experience with sustainable economic development.

Each of these eight trends poses various potential threats as well as opportunities, depending on how destinations view them and how they decide to respond. Creative and imaginative thinking in each of these sectors can pay off significantly in new opportunities, new strategies, and new ways to package and offer value to visitors (DMAI, 2008).

Destination Marketing and Management: A Comprehensive Approach

A systems view of the tourism industry and an environmental scanning of factors affecting destination-level activities require a comprehensive and integrative approach to destination marketing and management. Unfortunately, most of the existing literature in this area is narrowly defined and typically emphasizes only one aspect or certain aspects of destination marketing and management. This has created a huge challenge for tourism and destination researchers and professionals who need to adopt a holistic view about destination marketing and management. Taking an all-embracing approach, I argue that a comprehensive approach to destination marketing and management should include, but not limited to, the following themes under which a multitude of issues need to be identified, understood and addressed:

- the concept, scope and structure of destination marketing and management;
- consumer decision making in relation to destination;
- principles and functions of place image, positioning and communication;
- strategies and tactics in destination product development;
- strategies and tactics in destination product distribution;
- strategies and approaches for managing stakeholders in destinations;
- principles and strategies for managing destination competitiveness and sustainability; and
- principles and strategies for safety, disaster and crisis management.

It is within this comprehensive framework of destination marketing and management that this book is structured (refer to Fig. 1.1).

Destination Marketing and Management: Structure, Roles and Responsibilities

Pike (2008) has identified three distinctive types of tourism organizations at a country level that are engaged in destination marketing and management; these are DMOs which are responsible for promotion, government agencies providing policy advice to government and a private sector umbrella industry association that champions the causes of member organizations. Though there is a
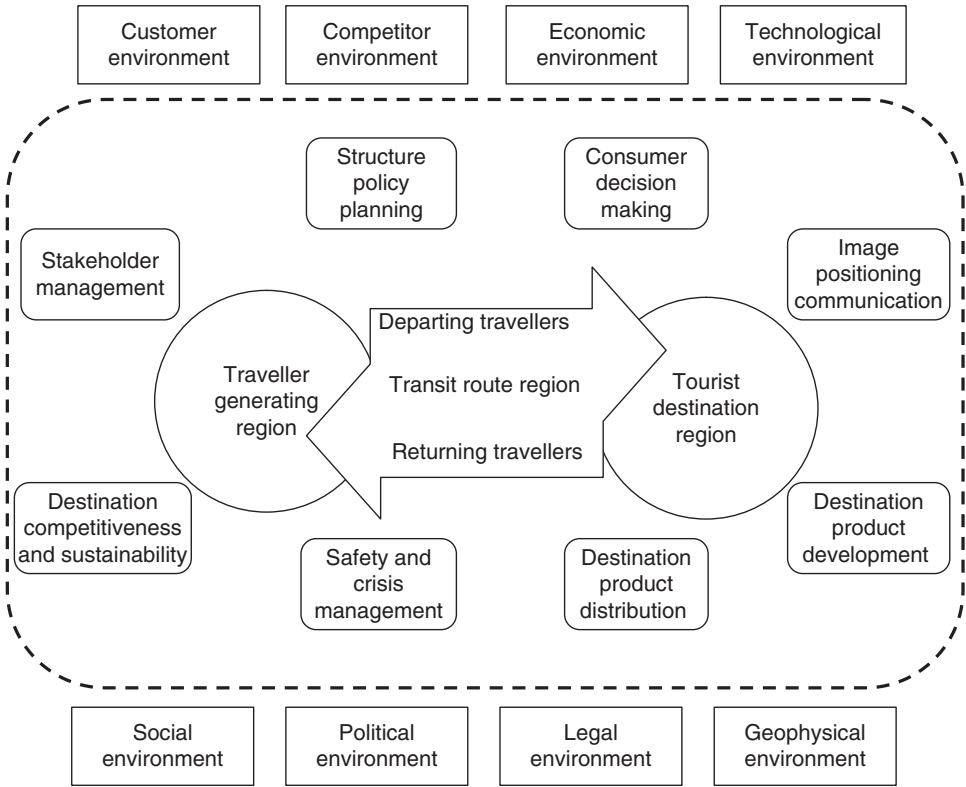
Fig. 1.1.   Concept and scope of destination marketing and management.

switch of emphasis from marketing to management in recent years, these types of organizations are usually referred to as destination marketing organizations (DMOs). Thus, a destination marketing organization can be defined as the organization responsible for the marketing of an identifiable destination. There are four levels of DMOs operating under this definition in most countries:

NATIONAL TOURISM OFFICE (NTO)   The World Tourism Organization WTO (now UNWTO) (1979, p. ii) introduced the term national tourism administration (NTA) as: 'the authorities in the central state administration, or other official organization, in charge of tourism development at the national level'. The term 'NTA' was used to distinguish it from national tourist organization and national tourism

office. The national tourism office (NTO) is used to represent the entity with overall responsibility for marketing a country as a tourism destination, whether purely as a DMO or as an NTA (Pike, 2008).

STATE TOURISM OFFICE (STO)   The organization with overall responsibility for marketing a state (e.g. in the USA), province (e.g. in Canada) or territory (e.g. in Australia) as a tourism destination, in a country that has a federal political system.

REGIONAL TOURISM ORGANIZATION (RTO)   The term 'region' here represents concentrated tourism areas such as cities, towns, villages, coastal resort areas, islands and rural areas. This level of DMO is also known by other titles in different parts of the world, such as

convention and visitor bureau (CVB) in the USA and regional tourism boards (RTB) in the UK. An RTO can be defined as the organization responsible for marketing a concentrated tourism area as a tourism destination.

LOCAL TOURISM OFFICE (LTO)   A local tourism office (LTO) can represent both a local tourism administration and a local tourism association. The former may be the local government authority, while the latter is a form of cooperative association of tourism businesses.

The business model of DMOs

In the report prepared by KAI for DMAI (2008, pp. 30–31) four primary business models of DMOs were identified, each representing a particular type of funding structure, with various governance structures that form policies and implement strategic plans:

GOVERNMENT AGENCIES (GAs)   Often the preferred choice of European, Latin American, and Asian governments, the GA vehicle is simple, straightforward and completely under the control of the national or local government responsible for the destination. Most GAs work with allocated budgets and are expected to market their destinations in consonance with municipal policy.

GOVERNMENT-FUNDED NON-PROFIT ORGANIZATIONS (GFNPOs)   Typically more common in the USA, and in Canada to some extent, but less prevalent elsewhere, the GFNPO is a separate business entity, with considerable latitude in the use of its resources. It survives as a player in a local constellation of developmental agencies, including those of the government. American GFNPOs typically receive a share of visitor taxes collected locally by service providers such as hotels (hence they are also known as 'hotel room taxes'). Some localities also tax other services such as restaurants and car rental organizations.

DUAL-FUNDED NON-PROFIT ORGANIZATIONS (DFN-POs)   Some government-funded DMOs receive contributions and subscription fees from various local service providers in addition to funds allocated by their local governments. Most common in the USA, this dual-funding model requires the leadership team of the DMO to reconcile the interests of its commercial members (promoting their services) with its broader mission of marketing the destination. Some DFNPOs (and some GFNPOs) also receive charitable donations and grant funds to supplement their budgets.

MEMBERS-ONLY TRADE ASSOCIATIONS (MOTAs)   In some cases, particularly with very small destinations, governments may not have assigned formal responsibility for destination marketing to any one entity. Often in those cases, some coalition of commercial enterprises – typically in the form of a trade association – may take on the destination marketing role. In some cases, the destination marketing role may default to the local chamber of commerce, hotel association or a similar commercial entity.

The mode of operation chosen by a particular DMO will typically reflect both its funding model, as described above, and some governance structure – typically unique to its circumstances. GAs may have advisory councils, and sometimes boards of directors or the equivalent. GFNPOs typically have paid staffs and volunteer boards of directors. DFN-POs typically have paid staffs and volunteer boards of directors, and some have special representation structures for their paying members. MOTAs typically have volunteer boards of directors, and some have paid staff. A few DMOs operate with hybrid models – combinations of these key features. Clearly, the way a particular DMO is chartered will strongly affect the way it goes about its mission. Its leaders will have different kinds of accountability, different degrees of policy direction from its sponsors and different ranges of latitude for initiatives.

The Strategic Roles and Responsibilities of DMOs in Destination Marketing

Owing to the ever-increasing competitiveness of the tourism industry, tourism destinations now find themselves in a situation

where they have to compete directly with other destinations at the regional, national and international levels (Presenza *et al.*, 2005). As a result, DMOs are playing important roles by acting as organizers and facilitators for tourism marketing and development in the destination. Fyall *et al.* (2001) argue that DMOs need to be more sensitive to the future needs of the marketplace, especially in the context of ongoing political and economic change of the macro-tourism environment. DMOs need to reflect the expectations of all groups within the destination by developing, managing and promoting the destination in a manner that is sensitive to the needs of quite often disparate tourism stakeholders (Fyall and Garrod, 2004). To better serve the interests of the tourism industry in the destination, DMOs need to have a clear understanding of their roles and functions in general and of their working relationship with the local tourism industry in particular.

The role and function of DMOs are recurring themes in tourism literature relating destination marketing/management and tourism planning. A review of the literature in this area has revealed that the roles and functions played by DMOs in representing the destination regions have been examined from many perspectives. Different terms have been used to describe the roles and functions of such organizations, such as destination marketer, destination image developer, destination promotion coordinator, and advocate, supporter and facilitator of tourism projects in the local community (Gartrell, 1988; Ritchie and Crouch, 2003; Presenza *et al.*, 2005). These descriptions of DMOs are either fragmented in nature by focusing on one aspect of their responsibility, or laden with a strong local context in which these issues are discussed.

For example, in the American context, though tourism organizations at different levels can be involved in marketing the destination, the major marketing tasks are conducted by the CVBs. In most destinations, CVBs are charged with the task of developing an image that will position their destinations in the marketplace as a viable destination for meetings and visitors (Gartrell, 1988; Morgan and Pritchard, 2004). As a result, a CVB's primary role is to act as a DMO that is responsible for marketing the entire destination to large and small meeting and pleasure travel groups and independent travellers (Fesenmaier *et al.*, 1992). In this role, a CVB not only becomes the collective marketing vehicle, but is also an advocate for the local tourism industry, as well as a 'one-stop shopping centre' for visitors (Morrison *et al.*, 1998). However, the fulfilment of a CVB's destination marketing role has been challenged by a number of issues related to governance and positioning. First, though CVBs are generally referred to as DMOs, their organizational structure and governance mechanisms vary. As reported by Morrison *et al.* (1998), most CVBs in North America have different types of organizational structure, ranging from non-profit independent organizations to part of government agency. These different organizational structures, as well as their associated governance mechanisms, make the definition of the responsibility of such organizations difficult and complex, which can possibly lead to disappointment or unrealistic expectations of the local tourism industry in relation to CVB performance. Secondly, the trend towards less government involvement and a handover of once public-domain functions to the private sector in tourism may compound the problem (Getz *et al.*, 1998). In many situations, CVBs may find themselves in positions of conducting marketing without the ownership of product, and being engaged in product development without being actually involved in the planning process. Thirdly, although the official mission of most CVBs is directed to convention sales and marketing the local destination to the travel trade and consumers, an unrealistic expectation exists within the community that a CVB is responsible for policy making, quality control, safety and a myriad of related visitor industry services (Getz *et al.*, 1998). Fourthly, as a destination marketing organization, the success of a CVB's mission primarily depends on the support of the various stakeholders in the destination. How to get the local tourism industry involved and what relationships a CVB should maintain with stakeholders are strategic decisions that a CVB has to make in collaborative destination marketing efforts. Perhaps the most comprehensive summary of

a CVB's role is provided by Morrison *et al.* (1998) who suggest five primary functions of a DMO: (i) economic driver; (ii) community marketer; (iii) industry coordinator; (iv) quasi-public representative; and (v) builder of community pride.

It is agreed that the main mandate of DMOs is to promote visitation in their destination areas. This view is supported by Dore and Crouch (2003), who state that the destination marketing activity of a DMO is often operationalized in practice as destination promotion, which may take the form of advertising, direct marketing, sales promotion, and public relations. Following the same line of reasoning, Gartrell (1988) argues that DMOs/CVBs are charged with the tasks of developing an image that will position their destinations in the marketplace as a viable destination for meetings and visitors, and that they must coordinate those disparate constituent elements. Ritchie and Crouch (2003) argue that although there is a shift towards recognizing that the role of a DMO goes well beyond marketing to include other activities that are important to the success of tourism in a destination from a competitive and sustainable perspective, it is recognized that marketing remains the principal purview of a DMO (Kelly and Nankervis, 2001; Dore and Crouch, 2003).

Much of the literature on CVBs is occupied with the role they play in helping to create business alliances and networks in order to achieve the goal of the destination. Presenza *et al.* (2005) suggest that a DMO, for political and structural reasons, is mainly concerned with promoting cooperation and the widest possible harmonization of objectives within a destination. This partnership-building role is justified by the nature of the tourism industry and the unique characteristics of selling a destination compared with selling other consumer products (Palmer and Bejou, 1995). For many years, the difficulty and complexity of destination marketing/management have been highlighted by the fact that destination products are usually marketed and sold in the marketplace in bits and pieces by a variety of individual suppliers that operate independently (Laws, 1995). The individual and independent marketing

and promotion efforts of the various tourism stakeholders are not conducive to developing a holistic image of the destination and, thus, will not enable the destination to obtain a competitive position in the marketplace. DMOs at different levels are charged with creating greater levels of awareness of the destination to the potential markets through collaborative efforts (Wang, 2008).

Taking a more holistic perspective, Gartrell (1993) listed six areas as the main function of a DMO/CVB: (i) to develop an image to position the city in the marketplace as an attractive destination for meetings and visitors; (ii) to coordinate the constituent elements of the industry and public sectors; (iii) to work with meeting and group planners; (iv) to represent both buyers and sellers; (vi) to provide information and respond to visitor inquiries; and (vi) to provide leadership for the industry. Though different terms have been used, the dominant theme reflected in the above discussion is that CVBs are DMOs. Other destination management functions, especially planning and product development, are largely ignored by the mandates of most CVBs or, in practice, are minor roles. It seems that the literature has agreed that the primary focus of CVBs is on marketing and sales of the destination's attractions, events and meeting facilities. However, there is a trend that more of their attention is now being given to acting as a catalyst, facilitator and supporter of the local tourist industry.

The role of DMOs/CVBs has also been looked at by the geographical locations they represent. For example, in 2004 UNWTO defined DMOs/CVBs as organizations responsible for the management and/or marketing of destinations. Geographically, as well as administratively, these DMOs generally fall into one of the following categories: (i) national tourism authorities/organizations; (ii) regional, provincial or state DMOs; and (iii) local DMOs who are responsible for management and marketing of tourism based on a smaller geographical area or city/town. Again, these general guidelines provide no insight as to the dynamic scope in which these different levels of DMOs operate. Several researchers have placed more emphasis on the nature of the destination

marketing and management vis-à-vis the role of the CVB without a clear-cut definition of the destination's boundaries. For example, Heath and Wall (1992) note that the tasks of CVBs are the following: strategy formulation, representing the interests of stakeholders, marketing of the destination and coordination of destination activities. Getz *et al*. (1998) have found a number of roles that CVBs fulfil in terms of product development within a destination.

This review of the published literature on the roles played by CVBs reveals the range of interest researchers have had in the contribution of such organizations to the tourism industry. However, these definitions of the roles and functions of CVBs are rather normative and descriptive, and mainly based on the observations and interpretations of the researchers. Such normative descriptions

have not been supported or confirmed with empirical data from the local tourism industry which, to a great extent, defines the legitimate existence of a CVB in the destination. Taking a case study approach and based on interviews with 37 tourism businesses and local DMO staff members in a small destination in Indiana, Wang (2008) attempted to understand and record the roles of the local DMO/CVB in general and in marketing the local destination in particular. The perception of the interviewees of this question varied depending on their specific relationships with the CVB and the industry sectors that they were in. Despite some overlapping interpretations on some of the roles of CVBs, the following general themes emerged out of the interviews. This information is summarized and demonstrated in Fig. 1.2 and elaborated upon in the following section.
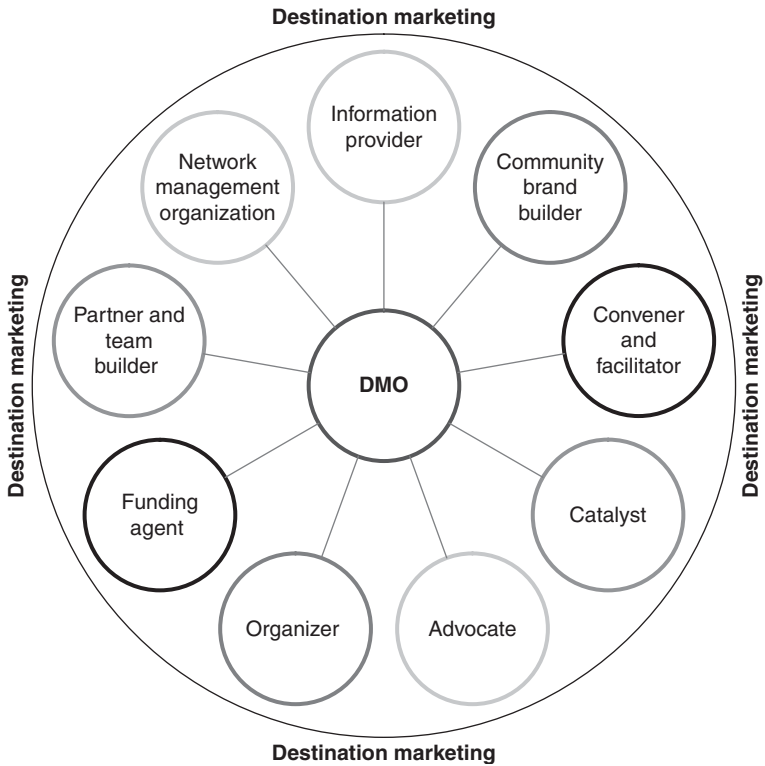

Fig. 1.2. The role of the destination marketing organization (DMO) in destination marketing (Adapted from Wang, 2008).

INFORMATION PROVIDER   It was agreed by the interviewees that, at the destination level, CVBs are charged with the responsibility to do research, 'identify their target markets', 'meet visitors' expectations', and 'share the information' with the local constituents. They are an 'information source' for businesses who want to enhance what they are doing. To quote one industry representative: 'Their role goes with providing information to the businesses so that they are aware of what's going on, what opportunities are available'. From a visitor's perspective, most of the interviewees agreed that a CVB is 'a contact point' for people who want to visit the area and that it provides information to tourists through various channels, such as publicizing information on its website, sending out information packs to potential visitors and providing information at facilities that people visit. The information provision function has also been extended to local residents.

COMMUNITY BRAND BUILDER   In general, the CVB is the DMO responsible for marketing the whole destination as one entity. Because of the partnerships that CVBs have at the local and regional levels, they can market the destination over a larger geographical range as well as at a bigger business scale than an individual business can afford to do. This view is supported by the following comment: 'The biggest thing that the CVB does is that it helps us get our message out and brand our area'. Most of the local tourism industry interviewees agreed that the CVB's role is to work in collaboration with the local businesses to market and promote the destination to a multitude of different markets, bring in corporate business, bring in conventions and meetings, group tours and leisure travellers, and act as the 'marketing representative' of the local area. The CVB is the entity that is responsible for marketing the whole destination by 'treating the destination as one entity' and 'positioning the destination as one place' for people to visit. This role cannot be easily replaced by other entities in the community, as the interviewees believe that if the CVB doesn't brand and market the entire destination, individual businesses will not take that role. They (the

individual businesses) have invested in their own private businesses, so it is very challenging for them to think outside their individual partners. If the CVB doesn't exist, there is no organization that can fill that void.

CONVENER, FACILITATOR AND LIAISON OF COMMUNITY TOURISM ACTIVITIES   CVBs often play the role of community convener on significant issues that may, or may not, result in further community action. The convening role usually includes a highly visible public discussion of community issues. These discussions are often related to data gathering or studies that provide information intended to highlight a common understanding of the issues at hand. Such discussions are important prerequisites for collaborative community problem solving. From a marketing perspective, the CVB is the 'facilitator' for marketing programmes for the local destination by offering a number of different marketing programmes in different markets. In this role, the CVB attempts to help make collaborative destination problem-solving efforts among non-profit, government, business and other organizations possible and effective. When it works well, convening or facilitation is valued as a source of fairness and encouragement, and a resource for all those who might need it in the collaborative process. The CVB is also the liaison between the visitor and the community, and between the local tourism industry and the government. CVBs convey information back and forth between the visitor and the community to keep the visitors happy. They are also the liaison between the visitor and the visitor industry and the government, and facilitate communications between them.

CATALYST OF THE COLLABORATIVE INITIATIVE   The CVB uses the convening role to stimulate discussion with a longer term strategy in mind. When an organization is catalytic, it makes an early and clear commitment to participate in longer term community problem solving that begins with an initial discussion of issues. In this way, it uses its influence and resource base to make the collaborative initiative 'real' in the minds of various other potential partners who may be waiting for leadership

before making commitments to an action agenda. To quote one interviewee: 'they come up with ideas, put people together, and make the program happen'. Quite a number of the interviewees believe that the CVB is also the 'catalyst for economic development' relative to the tourism industry.

ADVOCATE OF THE TOURISM INDUSTRY   The CVB is the advocate to the tourism industry in that it conveys the message of the importance of tourism, and its impact on the area and on the local economy, as well as the advantages of tourism to the local economy. The CVB is also viewed as an advocate either for individuals or groups that are the primary focus of the collaboration activities. Because its partners may be viewed as problematic by other partners in the collaboration, it is, therefore, important for a CVB to develop frameworks and internal processes within which advocacy efforts can emerge with support from as many partners as possible. In general, it can be argued that most of the marketing efforts seeking commitments from its partners require the CVB to play an advocacy role. Without such advocacy, collaboration would be limited to only data gathering, information sharing and public education, and it would not be possible to put any proposals into action.

ORGANIZER OF DESTINATION MARKETING CAMPAIGNS   The CVB has a primary interest in understanding what marketing activities are viable for the local destination, how the constituents proceed with the marketing activities, which marketing activities should be at the decision-making table and, in particular, how to include as many partners as possible. This marketing role often includes an ongoing search for good marketing and promotion ideas, and the welcoming and sustaining of participation by community-based, destination-based and constituency-based organizations and individuals. This responsibility has been summarized by the following comments: '[The] CVB is the organizer of different marketing activities … they put things into perspective with some of the larger groups to bring travellers in … . I love to see

them help us to do that because they have a lot of expertise in that area'.

FUNDING AGENT FOR COLLECTIVE MARKETING ACTIVITIES   The CVB encourages a variety of collaborative marketing activities by providing 'supporting and matching funds', especially for marketing and promoting the local destination collectively at a larger scale, either alone or with other funding sources. This is an increasingly common practice in the past few years and has been accepted by the local tourism industry, and especially by the small and medium-sized businesses. For example, for the art and event programmes, the CVB has a grant matching programme in which local businesses can get a 'dollar to dollar' matching fund support from the CVB to promote their events. On an annual basis, the CVB provides about US$60,000 of such matching funds to help the local tourism businesses with any marketing programmes that the CVB believes are 'viable'. Obviously, the programme is well accepted by the local tourism industry and becomes one of the incentives for them to work with the CVB. The local tourism industry believes that the 50% matching reimbursable funds 'allow people to expand their marketing dollars' and is pleased with the fact that 'the CVB has a tremendous budget to work with'.

PARTNER AND TEAM BUILDER   This appears to be the most obvious role of the CVB in the destination, and the way that this role is played greatly affects the quality of the marketing activities and the likely outcomes of such activities. The CVB's role is to make sure that the empowering partners 'share risks, responsibilities, resources and rewards' in collaborative marketing efforts so that they 'establish mutually respectful, trusting relationships', take the time to 'understand each other's motivations and expectations', and state problems in a manner that 'provides opportunities' for all the others involved in the process. The CVB is also the central focus to 'create the team at different levels' (i.e. at local, regional and the state levels). In other words, the CVB 'creates the interest' for the tourism industry to work together, and that's

where the partnership between the tourism industry and the CVB starts to interact. Whenever the local businesses think they need to put a partnership together, they look to the CVB.

NETWORK MANAGEMENT ORGANIZATION   In the domain of destination marketing, it was widely agreed among the interviewees that marketing networks in which individual businesses that consciously collaborate and cooperate with one another are more effective at providing a complex array of community-based services than the same organizations are able to do when they go their own ways. In other words, such marketing networks are vehicles that 'provide value to local community' in ways that could not have been achieved through uncoordinated provision of services by fragmented and autonomous businesses. From a production perspective, the joint production of marketing activities may satisfy stakeholders with multiple needs, but it may also raise substantial problems regarding resource allocation, benefit sharing, agreement on goals, expected outcomes and the like. While such a marketing network may benefit the community in which it is embedded, especially the pool of stakeholders that it serves, it must become a viable inter-organizational entity which can coordinate the marketing activities. It has to gain considerable legitimacy and external support by satisfying the needs of stakeholders and other community interest groups. The CVB is regarded by the local tourism industry as the network management organization, acting in its capacity as agent for the community and as principal to its network members to 'guide, coordinate, and legitimize' marketing network activities. Many of the network members argue that, besides marketing, promotion and visitor services, the CVB's mission is about managing and coordinating a diverse group of industry stakeholders in the community. It is a 'network management organization'. It was widely agreed among the interviewees that without the support of the stakeholders in the network, no destination marketing activities would be possible.

Future Directions of DMOs and Destination Marketing/Management

History can always serve as a mirror for the future. In many ways, the current state of affairs in the DMO business, and its likely forward momentum in relation to destination marketing and management, can be predicted by the major phases of its history (DMAI, 2008). A brief retrospective suggests three recognizable phases from the early 20th century to the present phase (late 20th to early 21st century) which reflect the trajectory of the next three phases in the near future, each flowing into the next with the broad evolution of the travel, tourism, meetings and hospitality industry (Fig. 1.3). As can be seen in Fig. 1.3, at each phase, the positioning of DMOs and their activities have evolved in a distinctive way which is influenced by various key drivers described previously in this chapter, i.e. the changing environments related to customer, competitor, economic, technological, social, political, legal and geographical developments. Obviously, these macro-level environmental changes have great impacts on the formation of the philosophy, doctrine, customs and practices of DMOs in the activities involved in destination marketing and management (DMAI, 2008).

This evolutionary study of the history of the story line of destination marketing and DMOs can yield some useful insights, particularly when the primary 'through-line', – a conceptual flow of ideas and meaningful events that create the story of the destination marketing and management – is examined. In the history of the DMO business, this through-line seems to be a progressively increasing degree of complexity: more players, more roles, more variables, more products, and more community integration and involvement (DMAI, 2008). For example, the original DMO model as the 'Convention chasers' in the early 20th century, as simple as it was, appeared to work well considering the simple product that DMOs were trying to sell: that is to bring meetings and conventions to the destination. However, as the travel sector grew out of its adolescent phase and became a trillion-dollar worldwide industry, things became more
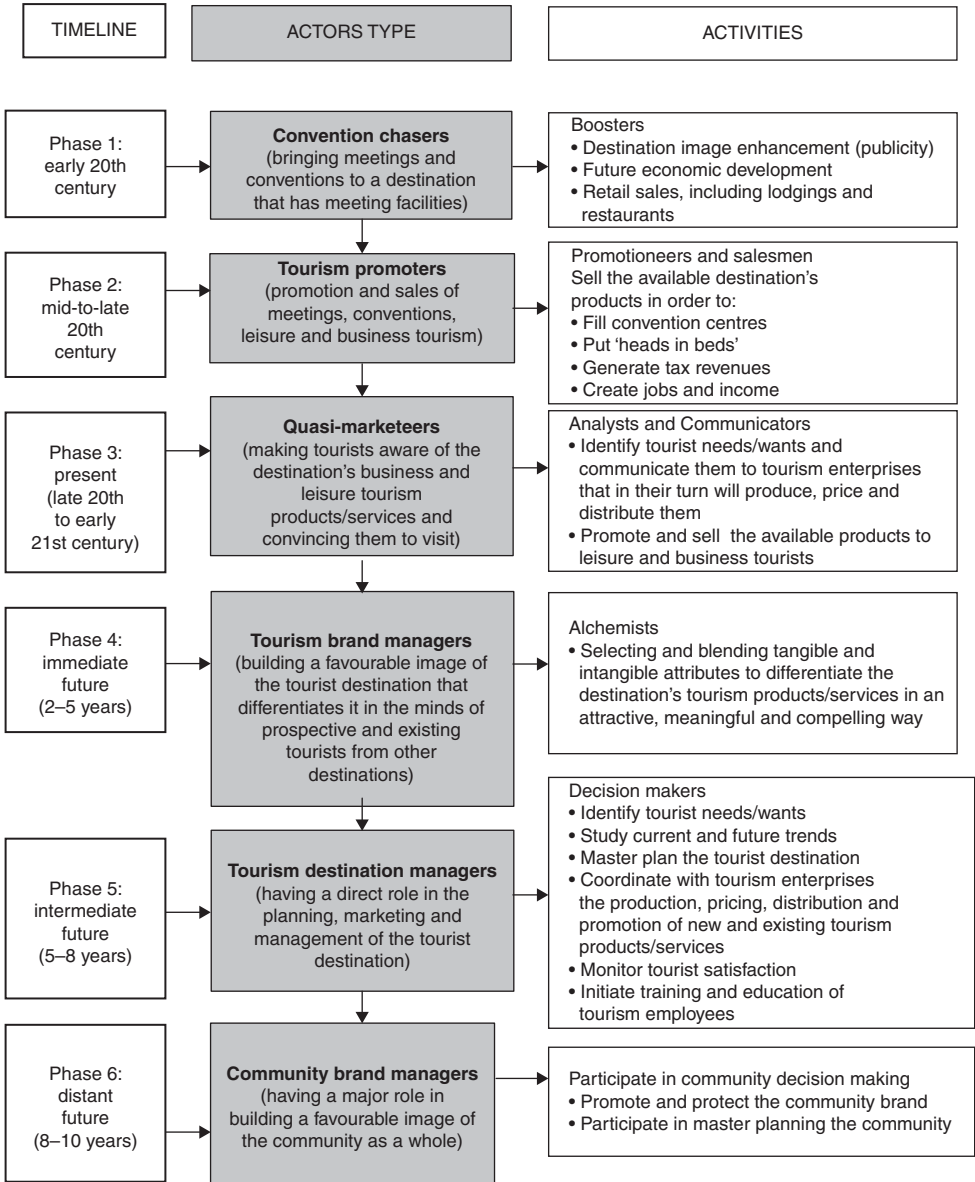
TIMELINE	ACTORS TYPE	ACTIVITIES
Phase 1: early 20th century	**Convention chasers** (bringing meetings and conventions to a destination that has meeting facilities)	Boosters • Destination image enhancement (publicity) • Future economic development • Retail sales, including lodgings and restaurants
Phase 2: mid-to-late 20th century	**Tourism promoters** (promotion and sales of meetings, conventions, leisure and business tourism)	Promotioneers and salesmen Sell the available destination's products in order to: • Fill convention centres • Put 'heads in beds' • Generate tax revenues • Create jobs and income
Phase 3: present (late 20th to early 21st century)	**Quasi-marketeers** (making tourists aware of the destination's business and leisure tourism products/services and convincing them to visit)	Analysts and Communicators • Identify tourist needs/wants and communicate them to tourism enterprises that in their turn will produce, price and distribute them • Promote and sell the available products to leisure and business tourists
Phase 4: immediate future (2–5 years)	**Tourism brand managers** (building a favourable image of the tourist destination that differentiates it in the minds of prospective and existing tourists from other destinations)	Alchemists • Selecting and blending tangible and intangible attributes to differentiate the destination's tourism products/services in an attractive, meaningful and compelling way
Phase 5: intermediate future (5–8 years)	**Tourism destination managers** (having a direct role in the planning, marketing and management of the tourist destination)	Decision makers • Identify tourist needs/wants • Study current and future trends • Master plan the tourist destination • Coordinate with tourism enterprises the production, pricing, distribution and promotion of new and existing tourism products/services • Monitor tourist satisfaction • Initiate training and education of tourism employees
Phase 6: distant future (8–10 years)	**Community brand managers** (having a major role in building a favourable image of the community as a whole)	Participate in community decision making • Promote and protect the community brand • Participate in master planning the community

Fig. 1.3. The evolution of convention and visitor bureaus (CVBs) (After Pizam, 2010).

complicated. Hyper-competition, reconstruction and reintermediation have imposed an all-pervading influence, particularly on players with more broadly conceived missions – such as DMOs (DMAI, 2008).

The long sweep of events has changed the surrounding business environment, the perceptions of DMOs by their stakeholders, industry partners and competitors. They have to increase their relevance and value by becoming more community oriented and being involved in community brand building, product development and visitor experience management, as well as other important decision makings at the community/destination level.

Based on the report by KAI, DMAI (2008) has proposed a strategic road map for destination marketing, with the role of the DMO shown as an integrating contribution, one that brings together the many self-interested players into a constellation of value creation that centres on a visitor-centred destination marketing and management strategy. This strategic road map shows the DMO as serving four equivalent roles (Fig. 1.4):

- informing, educating, and advising visitors;
- advising and supporting those entities that market and sell services to visitors;
- advocating the total visitor experience to all participants in the value constellation; and
- supporting the development of the master strategy for the destination.

DMAI (2008, pp. 79–83) also highlights several important action agendas for DMOs in order for them to claim leadership and relevance. These key agendas include:

BUILDING IDENTITY   This is the ongoing effort to build a brand identity for the DMO itself, separate from but related to the brand identity of the destination. Presumably based on the concept of the DMO as the official face and voice of the destination, the actions in this category can position the DMO as objective, unbiased and having no commercial 'taint' to its role as the 'friendly concierge' for visitors and event organizers. This may also include making the CEO of the DMO a high-profile spokesperson in and for the community. It is clear that a comprehensive strategy is needed to define the optimum brand identity for destinations in the future that preserves the positive perceptions held by some visitors and meeting planners, establishes the DMO as the premier visitor expert and preferred source of information, and enhances the DMO's perception as providing exceptional service and kind experiences. Tactics include: drawing attention to the DMO and its CEO with high-profile community events, industry meetings and newsworthy events; using visits by celebrities – entertainers, political leaders, star speakers – to put the DMO in front of the news media; emphasizing, at every possible opportunity, the DMO's unique role as the official face and voice of the destination, and defending it aggressively against encroachment by other entities; reflecting it in the advertising messages, the slogans, the mission statement and the business name; and abandoning any activities, programmes, relationships or commercial arrangements that contradict the DMO's role as the unbiased, 'can't be bought' provider of the best travel information available.

BUILDING COALITION   This is the systematic and continuous process of building connections to and coalitions with the many community leaders, stakeholders, industry partners, client entities and opinion shapers who can be instrumental to the DMO's success. It involves establishing strong, trust-based connections to every key stakeholder, industry partner and advocacy group within the destination community. Some of the tactics used can include: reviewing and updating the media-relations programme by expanding the range of media contacts to include national, international and Web-based media; becoming the 'go-to' source for travel writers, publishers and other mavens who form public opinion, including independent online sources; inviting the high-profile mavens to visit the DMO's destination and giving them the VIP treatment when they do; and building cooperative and supportive relationships with travel agencies and other intermediaries that can send business to the destination, becoming their preferred information source and helping them sell the destination to their clients.

BUILDING COMMITMENT   This is the continuous and never-ending practice of teaching, preaching, promoting and modelling a visitor-centred doctrine to all stakeholders in the destination community. It includes: defining service standards for all providers associated with the destination, as well as monitoring and reporting performance against these standards; profiling the destination's appeal against primary visitor motivations; mapping the 'rich niches' (i.e. the psychographic categories the
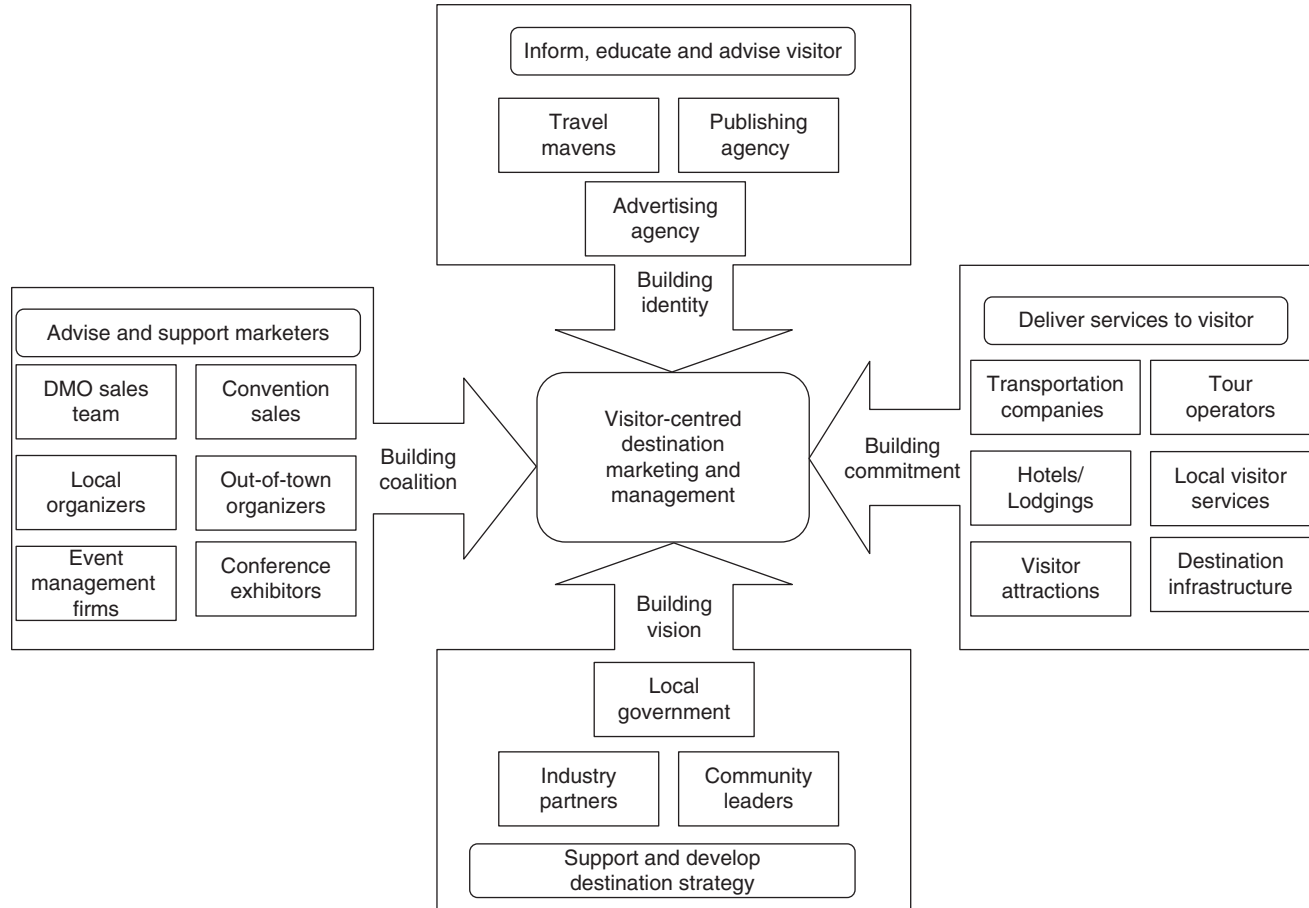
Fig. 1.4. A strategic map of destination marketing and DMO (Adapted from DMAI, 2008).

destination can serve most competitively); measuring and reporting on visitor perceptions of value – the 'end-to-end' visitor experience; measuring and reporting on perceptions of value by out-of-town organizers, such as associations, conference organizers and event promoters; utilizing in-town organizers as a source of information, influence and relevance building; building a 'voice of the customer' programme for collecting and publicizing visitor contributions; and spotlighting any service categories such as taxi services, tour operators, public transport and others that might deliver substandard service levels, and pressing for local government initiatives to force improvements.

BUILDING VISION AND LEADERSHIP   This is the practice of spotting critical issues and policy questions relating to the development of the destination, leading the strategic conversation within the community around these key issues and questions, and helping the community leadership to make wise and well-informed policy decisions. Some of the tactics can include: educating the entire DMO team about the key strategic trends, super-trends and strategic themes of the industry; patiently and persistently building access routes to the inner offices of the elected political leaders of the community and making the DMO's knowledge, know-how and ideas valuable to them; delivering an annual 'state of the destination' report to community leaders that presents the competitive standing of the destination and recommends areas of opportunity or improvement; developing an issues agenda for the travel, tourism, meetings and hospitality dimension of the community's development, and promoting it widely to all stakeholders and to the general public; actively engaging in discussions about the community's priorities (beyond the hospitality industry) and creating a role for the industry to be represented in achieving those priorities; and taking a leading role in the 'green conversation', and helping community leaders see the value to economic development of sustainable development and ecologically responsible policies.

Concluding Remarks

It is widely known that many businesses and organizations are involved in destination marketing and management. Depending on the structure of the local tourism economy, it could be the municipality (e.g. tourism offices under the chamber of commerce), the most important company/companies at the destination (e.g. Disney World in Orlando, Florida), or some other entities such as a tourism board/CVB. In many destinations, the local DMO/CVB is regarded by most of the industry representatives as the umbrella destination marketing organization and is expected to play multiple roles in coordinating various marketing activities within the destination. Major strategic roles of DMOs in destination marketing and management include: information provider, community brand builder, convener, facilitator and liaison of community tourism activities, catalyst of the collaborative initiative, advocate of the tourism industry, organizer of destination marketing campaigns, funding agent for collective marketing activities, partner and team builder, and network management organization. In addition, DMOs are expected to provide leadership in initiating, managing and maintaining the destination marketing networks. This requires that a DMO be skilful in coordinating partnerships between the public and private sectors, between normally competitive entities such as hotels, restaurants and attractions, and between other diverse constituents within a community. A DMO can be attached to an area more effectively through coordinated group action than through independent individual actions. A DMO, therefore, is expected to serve as a cooperative, representing all components of the visitor industry that are important to visitors. Each component of the visitor industry is extremely competitive, yet they have to work together with the DMO in order to carry out a comprehensive, united marketing programme for their community. In this sense, the DMO is the community's single most important marketing organization, projecting a coherent image for that destination into various targeted markets.

Concurring with the proposal by DMAI (2008), it is believed that there will be several broad, overriding themes or challenges that will preoccupy the business models of DMOs and their activities in destination marketing and management. These broad themes include relevance, value proposition and visibility (DMAI, 2008, 5–6):

RELEVANCE   To varying degrees, DMOs are perceiving an increasingly noisy, confusing and evolving marketplace – one in which their roles are less and less uniquely defined and less willingly acknowledged. The increasing disintermediation of the visitor services marketplace, the rise of new business entities contending for the attention of visitors and meeting organizers, the wealth of free information made available online, and the increasing local competition for funds formerly earmarked for destination marketing all conspire to erode or marginalize the traditional role of the DMO as the 'marketing department' of a particular locality.

VALUE PROPOSITION   The value proposition issue embodies a long-term question of *focus* – a singular, essential contribution made by the DMO in the perceptions of the many stakeholders with whom it interacts. Over the years, many new players in the marketplace for travel, tourism, meetings and hospitality have been nibbling away at the DMO 'value package' – the configuration of services traditionally offered. Some DMOs have traditionally focused on marketing local convention centres as a means of generating derivative revenue for hotels and other service providers. Some have experienced intense pressure from local industry partners to generate tangible sales opportunities and leads for them. Some have found themselves trying to 'ride two horses' – trying to attract the business of conference organizers and event managers, while also trying to reach out to leisure travellers. Some have had difficulty differentiating the process of marketing from the procedures of selling. DMOs that have struggled to clarify their essential value proposition have often found themselves without a compelling 'story' – a credible concept of what

they contribute to the constellation of interests that make up the destinations they serve, and a convincing argument for their continued mission, particularly to political interests in the communities that they serve.

VISIBILITY   As the massive migration of 'content' – information of every conceivable kind – to the Internet proceeds, visitors and those who market services to them have an abundance of sources for researching, planning and organizing travel-related activities. Sophisticated travellers increasingly go to online sources to plan their adventures. While they may be susceptible and responsive to print sources such as newspapers, magazines and the publications of travel writers, the battle for customer attention will increasingly be fought on the Internet. If one accepts the premise that the capacity to market anything depends on some kind of access to those who buy it – visibility – then DMOs need to be in the information pathways that the prospectors travel as they make their decisions. Unfortunately, DMOs as a collective information source have been largely bypassed, outflanked or shortstopped by content aggregators – travel information websites of all kinds – located upstream from them.

Many issues and challenges remain unanswered as to how a DMO should perform its legitimate functions in organizing, developing, and maintaining marketing networks in a local destination in order to increase its relevance, value proposition and visibility. Strategic actions have to be put in place in order to get the different sectors of the local tourism industry actively involved in destination activities and take advantage of the power of networking externalities in creating value for the destination. Indeed, value creation in a destination is achieved through the collection of discrete service providers – the value network. The DMO's role is to find out ways to create, maintain, and expand the value network so that the destination becomes more competitive. A DMO needs to position itself more as a network management organization for the local community, a function which might be, to some extent, different from the traditional destination marketing organization but crucial

in building and facilitating the collective marketing efforts. In this case, the DMO as the network management organization can be both the agent of the community and the principal of the network participants and make efforts to attract and retain individual tourism businesses as members in the marketing networks. It is hoped that this strategic analysis of DMOs' roles in this chapter, as well as a comprehensive approach to various issues related to destination marketing and management, as reflected in the subsequent chapters, will provide an integrative, holistic, proactive and visitor-centred approach to destination marketing and management which will contribute to the economic and cultural development of destinations with balanced interests of visitors, service providers and the community.

Acknowledgment

References

DMAI (2008) *The Future of Destination Marketing: Tradition, Transition, and Transformation*. Destination Marketing Association International, Washington, DC.

Dore, L. and Crouch, G.I. (2003) Promoting destinations: an exploratory study of publicity programs used by national tourism organizations. *Journal of Vacation Marketing* 9, 137–151.

Dredge, D. (1999) Destination place planning and design. *Annals of Tourism Research* 26, 772–791.

Dredge, D. and Jenkins, J. (2007) *Tourism Planning and Policy*. John Wiley, Brisbane, Queensland.

Fesenmaier, D.R., Pena, C. and O'Leary, J.T. (1992) Assessing information needs of visitor bureaus. *Annals of Tourism Research* 19, 571–574.

Fyall, A. and Garrod, B. (2004) *Tourism Marketing: A Collaborative Approach*. Channel View Publications, Clevedon, UK.

Fyall, A., Leask, A. and Garrod, B. (2001) Scottish visitor attractions: a collaborative future? *International Journal of Tourism Research* 3, 211–228.

Gartrell, R.B. (1988) *Destination Marketing for Convention and Visitor Bureaus*. Kendall Hunt Publishing, Dubuque, Iowa.

Gartrell, R.B. (1993) Convention and visitor bureaus: current issues in management and marketing. *Journal of Travel and Tourism Marketing* 1(2), 71–78.

Getz, D., Anderson, D. and Sheehan, L. (1998) Roles, issues, and strategies for convention and visitors bureaus in destination planning and product development: a survey of Canadian bureaus. *Tourism Management* 19, 331–340.

Heath, E. and Wall, G. (1992) *Marketing Tourism Destinations: A Strategic Planning Approach*. John Wiley, New York.

Kelly, I. and Nankervis, A. (2001) *Visitor Destinations: An International Perspective*. John Wiley and Sons Australia, Brisbane, Queensland.

Laws, E. (1995) *Tourism Destination Management: Issues, Analysis and Policies*. Routledge, New York.

Leiper, N. (1995) *Tourism Management*. RNIT Press, Melbourne, Victoria.

Morgan, N. and Pritchard, A. (2004) Meeting the destination branding challenge. In: Morgan, N., Pritchard, A. and Pride, R. (eds) *Destination Branding: Creating the Unique Destination Proposition*. Elsevier Butterworth-Heinemann, Oxford, UK, pp. 59–78.

Morrison, A.M., Bruen, S.M. and Anderson, D.J. (1998) Convention and visitor bureaus in the USA: a profile of bureaus, bureau executives, and budgets. *Journal of Travel and Tourism Marketing* 7, 1–19.

Palmer, A. and Bejou, D. (1995) Tourism destination marketing alliances. *Annals of Tourism Research* 22, 616–629.

Pike, S. (2008) *Destination Marketing: An Integrated Marketing Communication Approach*. Elsevier Butterworth-Heinemann, Oxford, UK.

Presenza, A., Sheehan, L. and Ritchie, J.R.B. (2005) Towards a model of the roles and activities of destination management organizations. *Journal of Hospitality, Tourism and Leisure Science* 3, 1–16.

Ritchie, J.R.B. and Crouch, G.I. (2003) *The Competitive Destination*. CAB International, Wallingford, UK.

Rubies, E.B. (2001) Improving public–private sectors cooperation in tourism: a new paradigm for destinations. *Tourism Review* 56(3/4), 38–41.

UNWTO (2010) *UNWTO Tourism Highlights, 2010 Edition.* World Tourism Organization, Madrid. Available at: http://www.unwto.org/facts/eng/pdf/highlights/UNWTO_Highlights10_en_HR.pdf (accessed 8 March 2011).

Wang, Y.C. (2008) Collaborative destination marketing: roles and strategies of convention and visitors bureaus. *Journal of Vacation Marketing* 14, 191–209.

WTO (1979) *Tourist Images.* World Tourism Organization (now UNTWO), Madrid.

2 Destination Planning and Policy: Process and Practice

John Jenkins, Dianne Dredge and Jessica Taplin

————————————

Introduction

Patterns of international and intranational (domestic) tourist flows around the world are in a constant state of flux. Predicting how these patterns will develop beyond anything much more than the short term is fraught with problems and risks. Much faith is placed in forecasts and scenarios from 'reliable' government, academic and other sources, but the lack of accuracy and success in forecasting presents an alarming conundrum for those with an interest in tourism planning, policy making and development. If tourism transforms places, people and environments, and it does so on a range of scales from local to global, then tourism planning and policy processes which attempt to address the future are critical to any notions of sustainable destinations.

Tourism, characterized by the movement of people from origin to destination and the associated transformations of people and cultures and economic development, has in fact become a large and embedded element of international and national political economy and local politics. The study and practice of destination planning and policy should be a means for fascinating insights into broader economic and social development issues. An increasing amount of research has gone into these areas (see Table 2.1 for a summary of a limited selection of Australian-based studies) but, as Britton (1991) put it, we still need a strong focus on 'theorization that explicitly recognizes and unveils tourism as a predominantly capitalistically organized activity driven by the inherent and defining social dynamics of that system, with its attendant production, social, and ideological relations'. Destination planning and policy seeks to explore the theoretical and practical aspects of tourism as it relates to the physical, social, economic, political and environmental characteristics of, and changes to, localities and place.

This chapter starts by defining tourism policy and tourism planning, and in doing so examines a number of important mainstream thoughts and practices, and reviews theoretical applications in the field. It then describes the approaches and methodologies applied to policy and planning, and ends with a presentation of case studies at regional and local levels drawn from Australia.

Background

The relationships between tourism and destinations, at least at a superficial level, are often assumed to be at their most volatile when there is actual or perceived stress or strain on the destination or the visitor as a result of

Table 2.1. Examples of Australian destination management studies.

Dredge and Jenkins (2003a)	Tourism is considered as essentially place based and involving the production of destination identity at different scales. National, regional and local organizations are actively engaged in presenting and promoting place identity, seeking to attract tourists and to increase market share. The study examines interrelationships and connections between place identity and regional tourism planning and policy making in New South Wales. Regional tourism organizations are considered contentious.
Pforr (2001, 2002, 2005)	Pforr (2001) applied the policy cycle model to a study of the development of the first Tourism Development Master Plan (TDMP) for the Northern Territory region. The TDMP became the foundation of Northern Territory tourism policy. The tourism policy processes concerning the TDMP are explored and two themes in that process are described: a top-down approach from the Northern Territory Government, and the Northern Territory Government's agenda for rapid economic development. Pforr observes the lack of opportunities for community-based interest groups and the environmental lobby to engage in policy and planning processes.
Priskin (2003)	Priskin highlighted the difficulties in applying collaborative tourism planning initiatives at the regional scale, reporting on a workshop that sought to identify a vision for and opportunities and issues relating to planning and managing nature-based tourism in the Central Coast Region of Western Australia. Priskin described the inadequacy of regional tourism policy and the lack of regional tourism planning on the Central Coast. The tourism industry is considered to be uncoordinated and disjointed. The lack of collaboration between industry and government limited approaches to the sustainable management of tourism resources. The workshop led to the formation of a regionally integrated tourism group to implement recommendations arising from the workshop, but many factors, including political and other issues arising outside the tourism arena, limited their implementation.
Richins and Mayes (2008)	Richins and Mayes summarized policy at a local level by examining the historical development of marine- and land-based sustainable management practices in Port Stephens, New South Wales. The case study described the practices of a commercial cruise operation. It explained how the owners of the cruise operations took site-specific, self-managed and voluntary action to provide leadership and contribute to the development of state regulations for cetacean watching. Local-level practices were considered in the light of their ability to contribute to state legislation and how they can affect sustainable marine wildlife practices from the regional to international scales.
Dredge *et al.* (2010a)	The study focused on issues of governance before, during and after the World Rally Championship held in the Northern Rivers region in New South Wales. The New South Wales Government took a top-down approach to planning the event, whereby collaboration and consultation with the local community and stakeholders was deemed deficient. The study identified that more effective event governance can be achieved through placing greater importance on stakeholder participation in decision making, showing commitment to local issues, demonstrating transparency and accountability, demonstrating compliance with the rule of law, and promoting collaboration and consultation with all agencies (government and non-government) that are directly and indirectly implicated in the planning and management of events.

interactions between the visitor and the environment. The ability of destination communities, environments and economies to withstand or capitalize on tourism is linked to their abilities to withstand those impacts (resistance), to recover from impacts (resilience), and to develop and sustain the environments that make them attractive (e.g. Laws,

1995; Hall, 1999). The stresses relating to tourism are perhaps most prominent and volatile when visitor numbers are high, visitor behaviour is inappropriate or unusual, or when the physical or social environment is particularly fragile or not resilient or resistant enough to cope with visitors and their associated impacts (Andereck *et al.*, 2005; Pigram and Jenkins, 2006). Tourism perhaps presents less complex problems when people venture to places in small numbers, are culturally sensitive and blend in with their environments. Nevertheless, a range of other considerations is critical even in areas where tourists passively engage with their surroundings – transportation types and frequency, waste disposal, demonstration effects and spread of disease. Whatever the case, impacts may (positive and negative) be exacerbated by the quality or lack thereof of planning and policy decisions and actions (Hall and Lew, 2009).

Concern with destination management has in fact been around a long time, with Young's (1973), Mathieson and Wall's (1982), Pearce's (1989) and Hall's (1991) texts, for example, highlighting many relevant issues, and particularly the impacts and planning issues associated with tourism development in a range of settings and contexts. As a concept of detailed study, it became prominent mainly because of the significant and rapid commercial development of tourism and the impacts of tourism on the economic, social and physical environments (e.g. Mathieson and Wall, 1982), and the recognition of tourism as a significant economic and social factor in local and regional development and restructuring. The development of transport technologies, accommodation and attractions, and the growth of marketing outlets and avenues for promotion, as well as the desire for people to escape and to see new places, have all fuelled a global travel movement which is leaving only the most inaccessible and inhospitable places relatively unscathed but, nevertheless, threatened, especially as technological developments (e.g. transport, communication, the World Wide Web and recreational accessories such as hiking and camping gear) will make these places ever more accessible and ever more prone to the impacts of travel and tourism.

The significance of destination management and indeed of tourism planning and policy is highlighted by Australia's Commonwealth Government, which argued that 'The most effective way to address these [many] challenges [facing Australia's tourism industry] is a coordinated effort from all stakeholders: all levels of government and industry. In this context, Destination Management Planning has emerged as a very effective mechanism for improved cooperation and collaboration with local industry and [for] strengthening partnerships with regional economic development agencies/boards and education and training providers' (Department of Resources, Energy and Tourism, 2007). The Department adopted *A National Framework for Best Practice Destination Management Planning*, and argued that this framework gave to tourism planning organizations 'the tools to produce sustainable and competitive tourism in a destination', and that there were many benefits to be derived through this framework's application, namely: improved destination competitiveness; increased visitor satisfaction; economic, social and environmental sustainability; effective partnerships; and continuous improvements. The prescriptive and normative message of the Commonwealth Government is tenuous, though, because destinations, however defined, are inevitably constructed places. How places are constructed can be better understood and well informed by policy and planning studies grounded in the social sciences.

Studies of tourism planning and policy draw from many social sciences-related disciplines and fields (e.g. political science, public policy, organizational behaviour, sociology, economics, geography, history, law and psychology). Destination planning and policy have become increasingly studied aspects of destination marketing and management, but theoretical and conceptual developments in the field have been lacking and heavily reliant upon discourses in these other disciplines, although some advances have been made (see below). In a relatively new interdisciplinary field, these circumstances are not surprising, but it is a concern to those with an interest in policy and

planning processes. Relative to other aspects of tourism, such as tourist demand, behaviour and experiences, policy and planning has attracted much less attention. This perhaps also reflects the often-applied nature of tourism research and the short-term requirements of industry-driven research, which is frequently at odds with the need for more research that consistently and collaboratively grapples with theoretical, conceptual and methodological issues arising in the social sciences (for a more detailed discussion, see Dredge and Jenkins, 2007a).

Concepts and Definitions

Destinations

Destinations vary widely in their scale and in the historical nature of their development, spatial size and organization, demography, topography, climate and weather, culture, infrastructure, available attractions, governance, politics and management, and human resources and finances (Cartier and Lew, 2005). Defining a destination is an inherently difficult exercise because it depends on a range of factors. Who or what agency is defining the destination? At what scale is the destination being operationalized? And, for what purposes is the destination being defined? Generally, visitors will define a destination quite differently from industry or from government agencies. Visitors have no particular interest in the administrative boundaries that shape the flow of money and other resources to support destination region planning, marketing and management activities. They are more likely to define a destination in terms of the attractions visited, travel time, the services needed and consumed, and the entry and exit points that define their travel. Industry is likely to define tourism destinations in a more fluid manner, based on the clusters and linkages (e.g. supply chains, marketing and branding, economies of scale, spatial policies and programmes offering incentives) between operators and businesses that have formed over time. Government agencies at all levels (i.e. national, state/provincial, regional and local) have well-defined geopolitical administrative boundaries and are often underpinned by important historical legacies.

Dredge and Jenkins (2003a) observe that Australian regions are a legacy of post-World War II reconstruction policies. Regions and regional boundaries were defined on the basis of some perceived level of cohesion of social, economic and geographical characteristics. These boundaries, for example those of the Australian states and their regions, may have been relevant at the time, but are not necessarily relevant in a globalized economy where advances in communication and information technologies and transport have made such boundaries redundant and, indeed, in many instances inhibitors to regional economic and social development, and environmental planning and sustainability. What makes these boundaries so vivid in our lives is that they represent significant policy, planning and management divisions such that people living close to one another, literally across a road, experience markedly different policies for their health, education, transport and travel, and state taxes and local government rates and other fees.

To make matters even more complex, destination regions or areas often require the engagement of more than one government agency (e.g. national parks, reef or marine authorities, fisheries, primary industries and transport agencies may all be involved in coastal area planning), as well as different levels of government in their policy, planning and management, and each agency comes armed with its own knowledge and interpretation of the destination, including its boundaries for decision making. The multitude of actors and agencies involved, especially with respect to determining precisely who is responsible for what, and in mediating the politics of planning and policy making, mean that destination planning and policy are dynamic, complex and value-laden tasks. To operate in such environments, planners and policy makers require high levels of reflective, analytical skills to understand how power is distributed and resources allocated, distributed and redistributed (Hall, 1994; Hall and Jenkins, 1995; Dredge and Jenkins, 2003b).

For the purpose of this chapter, a basic definition of a destination region is adopted. This definition draws from earlier work by Leiper (1990, 1995) and two of the present authors (Dredge, 1999, 2005, 2007; Dredge and Jenkins, 2003a, 2007a). A destination region is defined as a location that a person travels to, and that is distinct from their usual place of residence. The travel may be for the purpose of an overnight stay or day trip. A destination can be a specific site such as an urban playground, a theme park or a national park; an urban or rural town or a city; a region; an island or reef; a state or province; a nation state; or an internationally defined region, such as the Asia-Pacific. The boundaries of destinations are necessarily tied to the characteristics of travel patterns, but destination planners and managers operate on the basis of administrative boundaries that often limit an accurate conceptualization of the destination region. Dredge (1999, p. 779), in developing a model of destination regions, identified three fundamental characteristics: (i) that tourist-generating markets and destination regions are separate geographical entities; (ii) that the complex and multi-scale nature of destinations means that their conceptualization must be a flexible hierarchical structure adapted to suit different scales, locations and market characteristics; and (iii) that destinations can be single locations or 'chained', in that they can be a set of geographically separate locations linked through travel patterns or touring routes (see also Lue *et al.*, 1993).

Also important in considering the definition of tourism destinations for the purpose of planning and policy, Hall (1994), Murphy (1988) and Cartier and Lew (2005) emphasize that tourism destinations are generally locations that already have established social, environmental, physical, economic, political and cultural attributes. In all but the most remote areas, such as wilderness areas or polar regions or deserts, destinations are almost always inhabited by local residents before tourism activity, and these existing characteristics have important implications in how tourism is planned and policy is developed.

Policy and policy making

In this chapter, policy making is linked to public policy, which has been defined in many ways. Amidst a raft of definitions of policy and public policy, this chapter adopts the definition presented by Bridgman and Davis (2004, p. 3, in Dredge and Jenkins, 2007b, p. 7), wherein policy is defined as 'being a position, strategy, action or product adopted by government and arising from contests between different ideas, values and interests. Policy-making is concerned with the processes of making public policy, from the genesis of ideas about a policy, to the development of a policy, to its implementation, evaluation, review and perhaps abolition'.

The concept of policy making has received growing attention in tourism studies generally and in destination management specifically. However, research has tended to splinter into the sub-areas below, and attention to theoretical development and cohesion of the overall body of work is lacking. Drawing upon the broader public policy literature, Dredge and Jenkins (2007a, pp. 7–8) summarize seven characteristics of policy, which have been expanded to eight below:

1. *Policy involves government*, but the extent and nature of government involvement in policy making varies dramatically (Dye, 1978). In destinations where tourism is identified as a key driver of economic development and social well-being, governments may invest in major infrastructure, undertake research, spend money on marketing and promotion, and negotiate international investment deals and bid for events. In destinations not deemed a priority, governments may show disinterest or lack knowledge of and capacity to act in a specific tourism arena (e.g. ecotourism) and offset any responsibility for tourism to non-government agencies such as tourism associations.
2. *Policy involves a commitment* to do something. It may be publicly stated and approved or it may be a decision not to do something. Whatever the case, the purpose is to change things.
3. *Policy involves a course of action* legitimated by government, even if government has not been wholly responsible for the development

of that policy position. It is now common for governments to establish committees and reference groups to develop policy background papers and discussion papers, and to engage stakeholders in the development of policy positions. This characteristic is closely linked to characteristic six below.

4.   *Policy involves the future* and so requires thinking about or anticipating future circumstances and what conditions might be best to achieve a certain outcome (Bridgman and Davis, 2004).

5.   *Policy is any action* that brings about an effect or outcome or an allocation or redistribution of resources, and it involves an intervention of some kind (Levin, 1997), or a decision not to intervene.

6.   *Policy is an organizational practice or response to an issue* or situation. This organizational practice does not necessarily sit wholly within government and could involve government and non-government sectors in the collaborative processes of policy development.

7.   *Policy is fundamentally about the choices* that governments and their policy collaborators make and the expression of that choice through policy documents and actions (Bridgman and Davis, 2004).

8.   *Policy involves mediating the values and interests of a wide range of stakeholders* with an interest in the policy issue, and is inherently political. Accordingly, there is an element of politics in all policies (Considine, 2005).

Planning

Policy and planning are interrelated concepts. They are sometimes used interchangeably or together without distinction, but they are separate terms with separate meanings. In its most simple form, planning is defined as the activity of setting goals and identifying steps to fulfil those goals. It is an inherently difficult concept to pin down conceptually, even though many of us 'perform' planning on a daily basis: we make decisions about what tasks are our responsibility; we choose what tasks are more or less important; we assess the impacts of conducting these tasks on our available resources; we assess how best to undertake those tasks; and

we make trade-offs between options when we cannot do everything. But in the context of this chapter, planning is aligned with public policy, and refers to the activities and actions of governments.

According to Hall (1980, pp. 1–2), who refers specifically to land-use planning, planning has two key meanings: (i) 'a set of processes whereby decision-makers engage in logical foresight before committing themselves'; and (ii) 'processes that result in a physical plan' about where things ought to be located and how things ought to be. But there are other types of planning and so this kind of definition needs to be expanded to accommodate the fact that planning can also be undertaken in different sectors, such as infrastructure planning, industry planning for different sectors such as tourism and service delivery planning. In these instances, the physical location of things is less important and planning is related to achieving outcomes such as breaking down barriers and impediments to investment and economic growth, collaborating across stakeholder groups, or improving access to services through sectoral rather than spatial allocation or redistribution mechanisms and criteria (e.g. an allocation of public funds or incentives to ecotourism operators across Australia rather than an allocation of funds to promote tourism generally in a regional destination).

Dredge (1999, p. 774) defines planning as 'the process of defining a strategic vision for an area which reflects the community's goals and aspirations and taking the necessary steps to implement it'. In this definition the full range of interests present in the community, including the tourism industry and residents, are valued. However, this author also notes that planning is 'neither rational nor comprehensive, since it is impossible for all factors to be investigated and considered equally' (p. 775). Like policy making, planning involves competing interests, priorities, values and agendas; it requires cooperation and collaboration between individuals and groups; and it means there must be negotiation and bargaining between industry, government and community interests (see Dredge and Jenkins, 2007a, p. 9). Reflecting this emerging recognition of the importance

of multiple interests and stakeholders, definitions of planning have gravitated towards the first of Hall's (1980) two-point definition of planning above. That is, planning is much more about the processes by which issues are identified and mediated across stakeholder groups, and decisions are made that set in motion achieving some future-oriented objectives; planning is much less about *rational* planning and much more about the *relational* aspects of collaboration, building broad consensus, joint decision making and shared action (Healey, 1997, 2007).

So, returning to the earlier point about the relationship between planning and policy, policy sets the parameters for planning; it sets out the framework within which planning activities such as collaboration, consensus building and decision making are undertaken within and around destinations. But the outcomes of planning may expose the limitations of the policy shaping it, in which case policy may need to be reviewed or amended. For example, the growing acceptance of the principles of sustainable development in Australia during the 1980s resulted in increased policy directives to include consideration of environmental impacts and sustainability issues in the assessment of a proposed development. These directives increased the complexity of assessing tourism and other development applications; increased time and financial costs to developers; and led to a decline in the level of certainty over whether a development might be approved. These factors inevitably affected investor confidence, with consequences for the rate of investment in tourism infrastructure accommodation, and attractions and economic growth more generally. In response, state governments created special legislation to streamline the development of casinos, major waterfront developments and tourist resorts, in an effort to quarantine these developments from the growing body of planning requirements. Such legislation effectively removed from local governments the ability to decide whether or not to approve such development applications, by handing responsibility back to a particular state government agency that had the power to streamline, approve and override specific legislation (Craik, 1991). This is an approach that continues to be used to fast track tourism-related development (e.g. see

Jenkins and Stolk, 2003; Dredge, 2010; Dredge *et al.*, 2010b).

The following section examines approaches to the study of tourism policy and planning.

Approaches and Methods

Much public policy and planning research is grounded in the social sciences, but informed by a range of disciplines and fields of study, (e.g. economics, organizational studies, ecology, biology, geography, sociology, political studies, architecture, landscape architecture, planning, public administration and policy analysis). These disciplines and fields of study are characterized by an array of approaches, methods, concepts and frameworks. Destination policy and planning can be likened to a magpie profession or area of research, where relevant or useful frameworks, approaches and methods can be picked up and used according to the problem at hand, and what might be appropriate and applicable. Some have discussed whether this interdisciplinary flavour and diversity in conceptual, theoretical and applied research means that the field potentially lacks cohesion or theoretical and conceptual strength (e.g. see Etchner and Jamal (1997) and Tribe (1997) for coverage of such issues). The alternative view is that this diversity and breadth in a field of study provides many opportunities for collaborative work, encourages researchers and practitioners to transcend traditional disciplinary boundaries, and through conceptual, theoretical and applied advances contributes to knowledge and practice not only in tourism but also in other fields.

That said, approaches to destination policy and planning can be broadly divided into those that emphasize values and those that are substantive applied approaches.

Value-based approaches

In a widely cited publication, Getz (1987) identified four broad traditions or approaches

to tourism planning that highlight the values underpinning decisions and actions:

1. Boosterism, where it is assumed that the key benefit of tourism is economic, and therefore all decisions and actions should be aimed at boosting the economy through investment attraction and economic incentives.

2. Economic, where it is assumed that tourism will contribute to a region's income, generate employment and foster economic growth via flow-on effects and leveraging; destination planning should focus on reducing barriers to economic development.

3. Physical/spatial, where it is assumed tourism planning should seek to minimize impacts on the physical and spatial environments concerned and incorporate ecological principles linked to spatial, capacity and threshold parameters.

4. Community, where it is assumed that tourism promotes or empowers local communities in planning and policy processes; thus, destination planning should recognize and foster the social benefits of tourism.

To these four traditions, Hall (1998) added sustainable tourism planning. This latter approach represented an attempt to display how tourism planning could and should be integrated into wider planning frameworks and simultaneously address quality of life, resource management, and cultural and social sustainability issues, by merging economic, physical/spatial and community approaches. Some years before, Gunn (1988) suggested an approach that integrated perspectives derived from landscape architecture, land use and geography studies, while others have presented approaches linked to destination competitiveness (Ritchie and Crouch, 2000, 2003).

An important point – lost at times in these discussions about the focus of tourism planning and policy making – is not 'how to plan for sustainable tourism'. The real problem is in fact how tourism, just like forestry, agriculture, education or health services, can be planned and managed to contribute to sustainable communities and societies. A sustainable tourism industry does not necessarily amount to sustainable communities and environments, and the two should not be conflated. Contemporary debates about the conflicts between tourism, recreation and forestry illustrate the point. The industry might prosper and the natural resources that sustain it in a natural environment might well be barely affected, but if the decision to support tourism resulted in the demise of entire forestry or other industries which, in turn, caused the demise of local communities and economies and the quality of lives of thousands of people, would this be an example of sustainable tourism?

Domain-based, applied approaches

The above planning traditions, too, argued by Dredge and Jenkins (2007a, p. 89), merely describe how planning can focus on aspects of a destination: economic development; spatial arrangements for roads and highways; infrastructure; attractions; and so on. These approaches do not 'adequately convey the intent of tourism planning and policy', nor do they accommodate the various layers of planning and sub-processes that might occur in addressing different problems or issues in the destination. The above value-based approaches are convenient means to simplify what are in fact complex and intersecting streams of activity into neat, easily identifiable approaches. Subsequently, Dredge and Jenkins (2007, p. 90) suggested six substantive applied approaches that deal with aspects of destination planning and management:

1. Industry development planning and policy: this recognizes the particular and often highly fragmented characteristics of the tourism industry, and the challenges, opportunities and potential initiatives to improve its functionality.

2. Market planning and policy: this recognizes the highly specialized marketing, branding and promotional activities that are undertaken by agencies to promote destinations.

3. Spatio-physical destination planning and policy: this recognizes that tourism has a spatial dimension, and that the location and management of tourism-related land uses and infrastructure often involves

agencies and stakeholders who operate in a separate domain to other destination planning activities.

4. Conflict management planning and policy: this recognizes that planning is needed to mitigate the conflicts that can emerge between tourism and other resource-based activities, such as forestry, mining and protected area management.

5. Communicative planning and policy: this recognizes that governance structures and processes are often required to 'oil the wheels' of collaboration and joint action across the multitude of stakeholders involved in tourism.

6. Crisis-response planning and policy: this recognizes that crises emerge from time to time (e.g. avian flu, terrorism, global financial crises), and that governments are often required to pull together a raft of actions at short notice to respond to perceived risks. Separate planning processes and policy development can be triggered in such scenarios.

Methods

The methods used in destination planning vary considerably, and are heavily influenced by the institutional and policy context in which planning activity takes place. In general, destination planning and policy-making methods involve some or all of the following components:

1. A descriptive/explanatory component that seeks to understand and develop historical knowledge about how policy has been made in the past, and what the strengths and weaknesses of this approach were, it may even explain how certain outcomes have emerged. This component seeks to answer the question 'How has the current situation emerged?'

2. The normative/prescriptive component that seeks to provide guidance on the content of policy for the development and management of tourism in the destination. This component or dimension of the planning and policy processes is geared towards answering the question 'How ought the destination to be?'

3. The predictive component that makes predictions about the possible causes and consequences of various policy actions on tourism. This component can employ a range of methods from broad mega-trend analysis and scenario building, to forecasting and trend analysis (e.g. Dwyer *et al.*, 2008; Yeoman, 2008). The question that this component seeks to answer is 'If I do X then what effects will it have on the destination?'

4. The procedural tradition that provides direction on how to plan and manage destination and is oriented towards identifying detailed steps, actions and initiatives. The stagist planning processes amply described in a range of texts explain the steps in the planning process (e.g. Murphy, 1985, 1988; Gunn, 1994; Dredge and Jenkins, 2007a; Hall, 2008). This component seeks to answer the question 'What do we need to do to achieve X?'

5. The evaluative component that seeks to identify how a plan's success and impacts can be measured and evaluated, so that it may be revised in the future. The question that this component seeks to answer is 'How can the plan be implemented and evaluated, and what changed as a result of the plan?'

Advocating a meta approach

Dredge and Jenkins (2007a) argue that each of these approaches and methods offer something useful in the mix of knowledge that is needed to inform tourism planning and policy. Moreover, in practice, these approaches and traditions are not mutually exclusive, and actually require those engaged in destination planning and policy to blend approaches and methods, and continually reflect upon and reassess their directions, priorities and actions. Indeed, there is a need to step back from the detail of 'what to plan', 'how to plan', and 'what values to adopt', to examine the big picture and to appreciate the broad drivers that influence, sometimes in less than explicit ways, what can be done and how it can be done. This requires the adoption of an approach to understanding how planning and policy take place, and to incorporating a flexible conceptualization of the destination region across multiple scales, involving different stakeholders and addressing various interrelated issues and problems.

Figure 2.1 shows such a framework for understanding tourism planning and policy.

Although this framework highlights matters that should be of concern to those studying tourism policy and planning, it also serves as a framework for understanding what factors affect destination policy and planning processes. Thus, in developing plans and policies, or in the act of engaging in planning and policy-making activities, these factors should be considered. Any framework for destination management should promote awareness of these factors. Questions at the forefront of policy makers' and planners' minds might be: 'Are the ideas encapsulated in this plan well aligned with current government trends?'; 'What agencies might have an interest in this issue and how should they be engaged in the process?'; 'From what interest groups or associations are these plans or policies likely to attract criticism and how might we head off that criticism?'; 'Is there adequate recognition of the need for collaboration, alliances and partnerships to ensure its successful implementation?'; 'What groups or individuals could be included in the development of a plan and policy to help ensure that their participation provides adequate representation of interests and the prospects of reducing opposition?'.

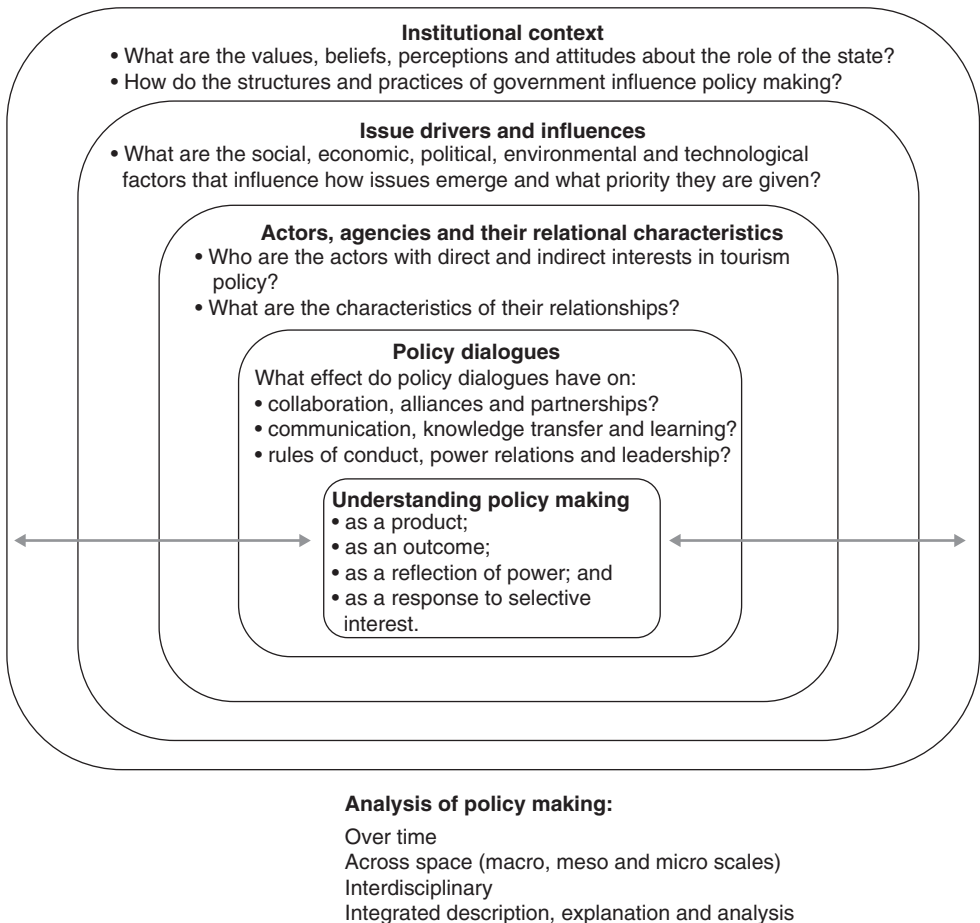The remainder of this chapter examines how these methods and approaches might

Institutional context
• What are the values, beliefs, perceptions and attitudes about the role of the state?
• How do the structures and practices of government influence policy making?

Issue drivers and influences
• What are the social, economic, political, environmental and technological factors that influence how issues emerge and what priority they are given?

Actors, agencies and their relational characteristics
• Who are the actors with direct and indirect interests in tourism policy?
• What are the characteristics of their relationships?

Policy dialogues
What effect do policy dialogues have on:
• collaboration, alliances and partnerships?
• communication, knowledge transfer and learning?
• rules of conduct, power relations and leadership?

Understanding policy making
• as a product;
• as an outcome;
• as a reflection of power; and
• as a response to selective interest.

Analysis of policy making:
Over time
Across space (macro, meso and micro scales)
Interdisciplinary
Integrated description, explanation and analysis

Fig. 2.1. Conceptual framework for understanding tourism policy and planning.

play out in destination policy and planning, using Australia as a case study. It explores the characteristics of destination policy and planning at national, regional and local levels.

Context and Setting

Australia is widely considered a 'liberal democracy', which means that it has 'a political system heavily influenced by liberal concepts of politics characterised by belief in the individual, a consensual theory of society, belief in reason and progress, and suspicion of concentrated forms of power' (Althaus *et al.*, 2007, pp. 12–31). The basic legal document of Australia's Federation is the Australian Constitution. This is a British Act of Parliament passed in 1900. The Constitution serves two important functions: it serves as the legal foundation of the nation by setting out constitutional laws and practice; and it defines the parliament's roles, responsibilities and powers. Australia has a complex and hybrid form of government, in which parliamentary government, derived from the House of Commons in the Palace of Westminster in London, is combined with a federal Senate, derived from the USA (Summers, 1985; Althaus *et al.*, 2007). The establishment of the federal system of government in Australia in 1901 originally divided political powers and functions between the six states and the Commonwealth. Since federation, a three-tier system of government – Commonwealth, state and local – has evolved, and the Commonwealth (Federation) of Australia has six states and two territories and more than 600 local governments and community councils (e.g. Althaus *et al.*, 2007).

Tourism organizations with responsibilities for tourism destination planning, development, management and marketing exist at every level of Australian government. All levels of Australian government have significant involvement in tourism because the Australian Constitution does not convey powers and responsibilities for tourism to any particular level of government (Hall, 1991). The federal division of responsibilities has led to problems of policy coordination in such areas as transport, communications, resources development, resources marketing, energy policy, urban affairs, Aboriginal affairs, taxation and, indeed, tourism. The responsibilities of the various levels of government for tourism have developed disjointedly under the divisions of powers that directly and indirectly affect tourism. The lack of specific powers to deal with tourism under the Constitution has resulted in the duplication of government responsibilities and, therefore, disagreement between the states and territories themselves and especially between the states/territories and the Commonwealth (Hall, 1991; Jenkins and Sorensen, 1996).

Local government is unrecognized in Australia's Constitution and each Australian state has its own system of this level of government. Local governments derive their functions from Local Government Acts operating in each of the states. Those Acts give local governments many legal powers, including the power to deal with development generally and with tourism development in particular, and to control health standards and rating structures according to state government frameworks (Dredge, 2001).

The roles and responsibilities of local government in tourism are not clear or exercised consistently. Local governments cannot avoid engaging in tourism, but it is not mandatory for them to plan for tourism or to even have a tourism marketing budget. Development applications for attractions, accommodation and restaurants, for example, must be dealt with by local government departments and councils according to local government planning frameworks. However, decision making by local governments can be overturned by courts and state governments, especially as the latter increasingly vest in Ministers the power to override local decisions. Hence, local governments have little autonomy in determining the development of their 'space' or local government area (LGA), and planning decisions in adjacent LGAs may have a significant impact upon them anyhow (Dollery and Marshall, 1997; Western Australian Local Government Association, 2008).

The politics of tourism between the states and local authorities is often highly volatile, particularly with respect to tourism resort

developments, the staging of events, and marketing and promotion strategies (e.g. see Craik, 1991; Hall, 1998; Dredge and Jenkins, 2007a). Complicating the situation further is the financial primacy of the federal government which allows it to venture into areas traditionally the responsibility of state and local governments, for example through funding major transport infrastructure development. Although the Commonwealth Government has previously placed restrictions on how funds allocated to the states could be spent, tax reform packages introduced by it in 1999 mean that the states have more autonomy in how financial assistance is distributed to local governments. Whatever the case, Australia's complex system of government and division of powers are a major constraint on 'the selection of policy instruments in an Australian setting' (Althaus *et al.*, 2007, p. 88).

Adding another layer to an already complex system of government constantly under scrutiny, in New South Wales (NSW) and other states, state governments have established and substantially supported regional tourism organizations (RTOs) (Jenkins and Sorensen, 1996; Jenkins, 2000). RTOs are a layer of tourism administration firmly wedged between local and state governments. In NSW, RTOs have existed in various forms since the early 1900s. Their support from governments increased substantially during the 1980s, but they have lacked long-term commitment and strategic directions from politicians and public administrators.

A hierarchical government arrangement appears sensible and workable, but as there has long been confusion about the appropriate roles and responsibilities of each level of government with respect to destination policy and planning, and destination management and marketing, many inefficiencies and overlaps arise. For example, Australia's national tourism organizations have always engaged in overseas marketing and promotion, but occasionally ventured into domestic marketing campaigns; the states have always maintained a strong domestic marketing presence but have occasionally ventured into overseas marketing, and have strongly supported large-scale events and attempted to exercise greater control over local tourism

initiatives through the establishment and resourcing of RTOs; local government bodies are mainly concerned with local tourism matters, visitor facilities and information centres and local planning, but have undertaken marketing and promotion in specific overseas destinations. The following section briefly describes important issues involving RTOs.

Regional Tourism Organizations

The passing of the *Tourism New South Wales Act 1984* prescribed the establishment of the Tourism Commission of NSW (TCNSW), a statutory corporation, and a commercially oriented organization responsible for the coordination of the tourism industry in that state. It was required by legislation to promote travel to and within NSW and to coordinate the development of ventures relating to tourism. Since 1985, major decisions by the Commission and its successors (the NSW Tourism Commission and then, from 1994, Tourism New South Wales and later Tourism NSW), have always been approved by a board appointed by and reporting to the responsible Minister.

A 5 year (1983/4–1988/9) tourism plan for NSW divided the state into nine marketing regions. The RTOs related to these marketing regions have been a plank of NSW tourism policy and planning since the early 1980s. The boundary of each RTO embraces a collection of local government areas. Each region was identified by the Commission as possessing compatible geographical, historical and natural features. Regions were considered by the Commission to be the most effective and efficient means to market NSW facilities, resources and attractions (Jenkins, 2000). RTOs have continued to operate in various forms across the state since that time, but there have been extensive changes in their structures, functions, operations and funding. Moreover, some RTOs have withered or been abolished, new RTOs have been established, and some LGAs and associated tourism associations have switched their allegiances and moved from one region to an adjacent region (e.g. see Dredge and Jenkins 2003a, 2007a).

The *Regional Tourism Action Plan 2000–2003* required that each RTO produce a 3-year Regional Tourism Plan, approved by Tourism NSW. The plans would guide infrastructure development, transport access information and service, product development/enhancement, industry development, and marketing strategies and activities for each region. The Plans were considered by Tourism NSW to be 'a key delivery mechanism for the objectives of the *Towards 2020: New South Wales Tourism Masterplan'* (Tourism NSW, 2002). From 2003 to early 2007 under a Labor party government there was some stability in the external operating environment of RTOs, with no significant changes in their operating environments. However, in the period 2007–2009, the situation changed dramatically.

In February 2007, John O'Neill was asked by the Premier of NSW to conduct reviews of major events, convention and exhibition space, and tourism. In his *Review into Tourism in New South Wales* released in May 2008, O'Neill (2008) made many recommendations, which included empowering NSW regions, improving regional data, and encouraging NSW and Commonwealth governments to support the development of tourism assets in regional NSW. O'Neill also indicated structural, strategic and operational changes in NSW needed to address a variety of issues relating to market performance failures, including with regard to RTOs.

The NSW government considered the O'Neill report, and in July 2008 commissioned the Deloitte group to assist in the development of a new NSW tourism strategy that involved consultations with tourism industry stakeholders. The NSW Tourism Strategy (Tourism NSW, 2008) was released in November of that year. The vision was 'Growing a vibrant tourism sector in NSW by increasing the State's domestic and international visitation through a collaborative approach between government and industry'. The strategy included eight key areas. Of those eight areas, four are especially relevant to this discussion of RTOs and their role in destination policy and planning:

1. Tourism governance: deliver the NSW Tourism Strategy within agreed governance arrangements to realize maximum benefits for the tourism industry.
2. Expanding regional tourism: enhance promotion of regional NSW through strengthened regional partnerships.
3. Address supply-side issues: government working with industry to ensure sufficient tourism-related infrastructure and services are available to satisfy increased demand.
4. Tourism industry plan: implement a coordinated industry plan to boost tourism performance in NSW based on a partnership approach from government and industry.

Expanding regional tourism included the provision of more support to build destination capacity and visitor demand, but it was noted in the strategy that the 13 RTOs were very diverse and had presented challenges to engagement by Tourism NSW. The strategy was also seeking to encourage mergers of RTOs to create greater efficiencies and economies of scale. The governance of regional tourism became even more prescribed and indeed complex. Rather than RTOs representing themselves direct to Tourism NSW, RTOs would be represented by a Forum of RTOs (FORTO), or representatives of RTOs, which would liaise with a Regional Reference Group of the Tourism NSW Board, and the Regional Tourism Unit of Tourism NSW. FORTO became 'the overarching peak industry body responsible for guiding and facilitating the development of RTOs and coordinating regional tourism development and marketing activities', and the 'single point of contact for Tourism NSW in liaising and consulting across all regional tourism organizations' (Tourism NSW, 2010). With these pronouncements and requirements, RTOs needed to revise their strategic focus.

To support RTOs, the NSW government set aside AU$5.133 million annually (a substantive increase from AU$1.63 million) for 3 years. Each RTO can apply for funding allocated according to two tiers. Tier One funding is for demand building on a dollar for dollar basis. Tier Two funding is an allocation designed both for capacity building, and for demand building on a dollar for dollar basis. Of the 13 RTOs in New South Wales, six RTOs have decided to operate at Tier One level,

arguing they already have the capabilities, resources and systems to achieve long-term sustainability and no longer require capacity building assistance. However, seven of the 13 RTOs are operating at Tier Two level. These RTOs require funding to support both aspects of their operations (e.g. staff salaries, administrative support) as well as demand building on a dollar for dollar basis. Tourism NSW decided that RTOs must become self-sustaining by 31 December 2011. From 1 January 2012, the government will provide funding only for demand building (Tier One equivalence).

Despite their regional disparities, RTOs do have some common purposes, namely: building consumer brand awareness of the region to increase demand and visitation; developing cooperative opportunities through regional participation in marketing and promotion; developing and sustaining regional sponsorship; and planning and developing tourism product and marketing such product (see NCRT, 1999). However, RTOs are also well placed to be actively involved in coordinating and disseminating tourism research, industry accreditation schemes and education initiatives, and in developing regional infrastructure inventories. These latter activities elude many RTOs, who concentrate mainly on the income streams and outcomes that stem from membership, and on marketing and promotion, respectively.

Local Government

Generally, the RTO framework, as previously outlined, comprises several local government areas, and their elected councils and employees, which are expected (and sometimes even coerced) to support the RTO. This is often an uncomfortable relationship because the RTOs have a different set of strategic and operational objectives from local government. The focus of RTO operational objectives and funding has generally been on growing market demand. Marketing and promotional activities receive significant injections of funds when compared with supply-side initiatives. Moreover, the operational objectives of RTOs,

organizational skill sets, and funding structures and processes, have all been geared towards marketing. There has been little and in some cases no attention to supply-side issues such as tourism planning, visitor management, investment attraction, and support for product innovation and packaging. Local governments have been critical of this regional approach and the lack of support for sustainable tourism planning and management activities (e.g. O'Neill, 2008; Parliament of Victoria, 2008; The Stafford Group, 2008). This situation is exacerbated where the salaries of RTO managers are supplemented by incentives such as how many marketing dollars they attract through cooperative marketing campaigns. Such a situation actively discourages integrated and holistic destination planning and management by over-emphasizing marketing activities.

Despite this situation, local governments remain at the very centre of Australian tourism destination planning, policy making, development and management as a result of responsibilities in managing land use and the environmental impacts of development, infrastructure provision and asset management, and in servicing local communities via the provision of parks and recreation opportunities, and arts and cultural activities and programmes. Local councils, keen to see their localities prosper and to improve social and community well-being, are fostering tourism directly, but also indirectly. So, while Australian local government systems are still very much a product of their 19th century roots, and have been criticized because they are based on outdated social, economic and demographic systems, they nevertheless have a significant role in shaping local destinations. The question for local governments then is how to plan and manage the destination, which may correspond with the local government boundaries, but is more likely to comprise a combination of surrounding local government areas. Moreover, given the liberal democratic ideal underpinning government in Australia, any such planning and policy framework must ensure that the interests of local government constituents receive adequate and sufficient attention. Very tight budgetary conditions and narrowly defined interpretations of council

roles and responsibilities can also add an additional challenge into the mix of destination planning and policy.

In this context, a recent approach provides an interesting solution. Dredge *et al.* (2010b) argue for an approach that draws from the existing capacities existing within local government rather than the creation of an additional planning process. They argue for a 'joined-up' approach wherein key representatives from each division within the council, and from neighbouring councils making up the destination region, are invited into a discussion. The first part of the discussion provides information and opportunities for discussion around the role and value of tourism in their local government area, and the second part invites them to consider how their own work in council might facilitate destination planning and policy development. The third part takes the form of an action-oriented workshop where actions, initiatives and priorities are discussed.

In application, this approach takes the format of a Managing Local Tourism Master Class which is designed to increase participants' understanding of tourism and of the different ways that individuals within their own divisions – and also in communicating across different parts of council and between councils – can promote destination planning, policy development and management. The target audience includes senior managers and elected representatives – the key policy makers and decision makers who generally have little time in the normal course of their duties to consider how tourism transcends the internal divisions of council or the potential advantages of working collaboratively across spatial and organizational boundaries.

Figure 2.2 shows the framework adopted in the Master Class, which transcends traditional council divisions and the historical tensions between a marketing focus versus a destination development focus. The outcomes of this master-class approach have been to facilitate collaboration, knowledge and information sharing, to reduce inefficiencies associated with overlapping work programmes
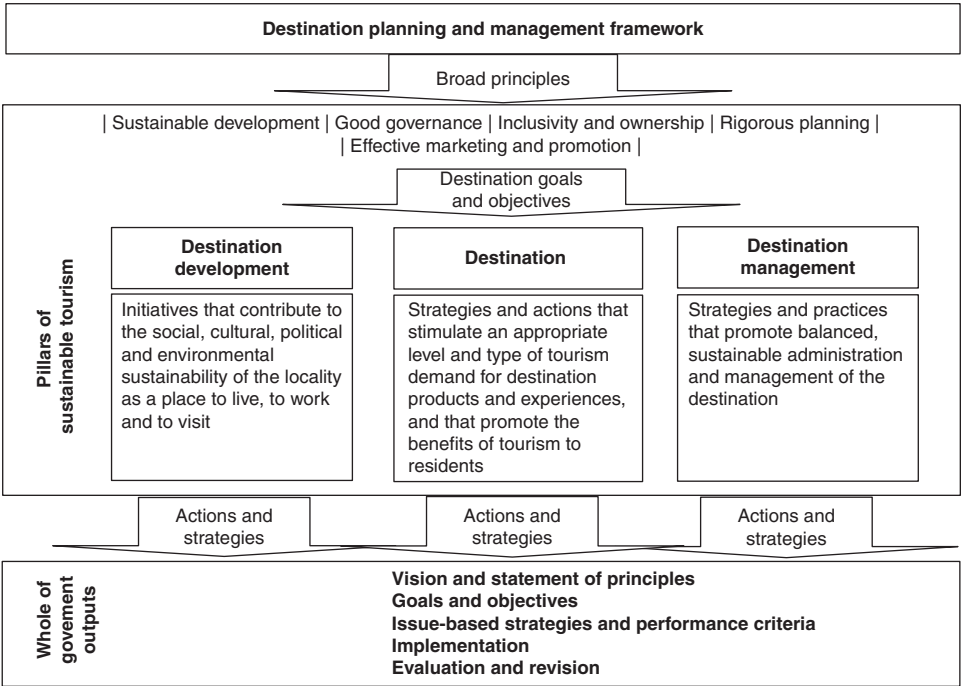
Fig. 2.2. Destination planning and management framework.

and duplication of effort, to encourage the pooling of resources in terms of time, money and expertise, and to increase resilience in terms of joint support for initiatives (Dredge *et al.*, 2010b).

Conclusions

This chapter has sought to define and critically examine destination policy and planning. It has examined a number of important mainstream thoughts and practices, reviewed theoretical applications in the field, and described approaches and methodologies. In undertaking these tasks, it became clear from the outset that the terms 'destination', 'policy' and 'planning' are difficult to define and open to interpretation based upon the prevailing institutional context, scale and values.

It is also evident that despite significant advances in our understanding of tourism policy and planning with respect to destination management and marketing, state governments in Australia, for example, continue to saddle local governments with outdated frameworks and operational boundaries, namely regional tourism organizations (RTOs). These RTOs can inhibit creativity, often act as time and resource distractions, and can seriously impede wider collaborations and economies of scale among local councils. In this context, however, the Managing Local Tourism Master Class approach is a promising initiative for facilitating many significant benefits to those individuals and agencies who willingly engage.

References

Althaus, C., Bridgman, P. and Davis, G. (2007) *The Australian Policy Handbook*, 4th edn. Allen and Unwin, Crows Nest, New South Wales.

Andereck, K.L., Valentine, K.M., Knopf, R.C. and Vogt, C. (2005) Residents' perceptions of community tourism impacts. *Annals of Tourism Research,* 32, 1056–1076.

Bridgman, P. and Davis, G. (2004) *The Australian Policy Handbook*, 3rd edn. Allen and Unwin, Sydney, New South Wales.

Britton, S. (1991) Tourism, capital, and place: towards a critical geography of tourism. *Environment and Planning D: Society and Space* 9, 451–478.

Cartier, C. and Lew, A. (2005) *Seductions of Place: Geographical Perspectives on Globalization and Touristed Landscapes*. Routledge, London/New York.

Considine, M. (2005) *Making Public Policy: Institutions, Actors, Strategies*. Polity Press, Cambridge, UK.

Craik, J. (1991) *Resorting to Tourism: Cultural Policies for Tourist Development in Australia*. Allen and Unwin, Sydney, New South Wales.

Department of Resources, Energy and Tourism (2007) *A National Framework for Best Practice Destination Management Planning*. Australian Government, Canberra, ACT. Available at: http://www.ret.gov.au/tourism/Documents/Tourism%20Industry%20Development/Best_Practice_Destination_Management_Planning_Framework.pdf (accessed 9 March 2011).

Dollery, B. and Marshall, N. (1997) *Australian Local Government*. Macmillan Education Australia, Melbourne, Victoria.

Dredge, D. (1999) Destination place planning and design. *Annals of Tourism Research* 26, 772–791.

Dredge, D. (2001) Local government tourism planning and policy-making in New South Wales, Australia: institutional development and historical legacies. *Current Issues in Tourism* 26, 355–380.

Dredge, D. (2005) Local versus state-driven production of the region: regional tourism policy in the Hunter, New South Wales, Australia. In: Rainnie, A. and Grobbelaar, M. (eds) *New Regionalism in Australia*. Ashgate, Aldershot, UK. pp. 301–319.

Dredge, D. (2007) Local destination planning and policy. In: Dredge, D. and Jenkins, J. (eds) *Tourism Policy and Planning*. John Wiley, Milton, Queensland, pp. 300–335.

Dredge, D. (2010) Place change and tourism development conflict: evaluating public interest. *Tourism Management* 31, 104–112.

Dredge, D. and Jenkins, J. (2003a) Destination place identity and regional tourism policy. *Tourism Geographies* 3, 425–443.

Dredge, D. and Jenkins, J. (2003b) Federal-state relations and tourism public policy. *Current Issues in Tourism* 6, 415–443.

Dredge, D. and Jenkins, J.M. (eds) (2007a) *Tourism Policy and Planning*. John Wiley, Milton, Brisbane, Queensland.

Dredge, D. and Jenkins, J.M. (2007b) Introduction to tourism planning and policy. In: Dredge, D. and Jenkins, J.M (eds) *Tourism Policy and Planning*, John Wiley, Milton, Brisbane, Queensland, pp. 1–31.

Dredge, D., Ford, E.J., Lamont, M., Phi, T., Whitford, M. and Wynn-Moylan, P. (2010a) *Event Governance: Background to the World Rally Championship, Northern Rivers, NSW*. Centre for Tourism, Leisure and Work, Southern Cross University, Tweed Heads, New South Wales. Available at: http://ctlw.com.au/uploads/images/pdf%20documents/Event%20Governance%20and%20the%20WRC.pdf (accessed 9 March 2011).

Dredge, D., Ford, E.J. and Whitford, M. (2010b) The Managing Local Tourism Master Class: communicating and building sustainable tourism management practices across local government divides. Paper presented at the BEST-EN Think Tank X: Networking for Sustainable Tourism. Available at: http://ertr.tamu.edu/attachments/3111_Dredge%20Ford%20Whitford.pdf (accessed 9 March 2010).

Dwyer, L., Edwards, D., Mistilis, N., Roman, C., Scott, N. and Cooper, C. (2008) *Megatrends Underpinning Tourism to 2020*. CRC for Sustainable Tourism, Gold Coast, Queensland. Available at: http://www.sustainabletourismonline.com/awms/Upload/Resource/bookshop/80046%20Dwyer_TourismTrends2020%20WEB.pdf (accessed 9 March 2011).

Dye, T. (1978) *Understanding Public Policy*, 3rd edn. Prentice Hall, Englewood Cliffs, New Jersey.

Etchner, C. and Jamal, T.B. (1997) The disciplinary dilemma of tourism studies. *Annals of Tourism Research* 24, 868–883.

Getz, D. (1987) Tourism planning and research: traditions, models and futures. Paper presented at the Australian Travel Research Workshop, Bunbury, Western Australia.

Gunn, C.A. (1988) *Tourism Planning*, 2nd edn. Taylor and Francis, New York.

Gunn, C.A. (1994) Emergence of effective tourism planning and development. In: Seaton, A.V. (ed.) *Tourism: The State of the Art*. John Wiley, Chichester, UK, pp. 10–19.

Hall, C.M. (1991) *Introduction to Tourism in Australia: Impacts, Planning and Development*, 1st edn. Longman Cheshire, Melbourne, Victoria.

Hall, C.M. (1994) *Tourism and Politics: Policy, Power and Place*. John Wiley, Chichester, UK.

Hall, C.M. (1998) *Introduction to Tourism: Development, Dimensions and Issues*, 3rd edn. Longman, Melbourne, Victoria.

Hall, C.M. (1999) *Tourism Planning: Destinations, Organisations, People and the Environment*. Addison Wesley Longman, Harlow, UK.

Hall, C.M. (2008) *Tourism Planning: Policies, Processes and Relationships*. Prentice Hall, Harlow, UK.

Hall, C.M. and Jenkins, J. (1995) *Tourism and Public Policy*. Routledge, London.

Hall, C.M. and Lew, A. (2009) *Understanding and Managing Tourism Impacts: An Integrated Approach*. Routledge, London/New York.

Hall, P. (1980) *Great Planning Disasters*. University of California Press, Berkeley, California.

Healey, P. (1997) *Collaborative Planning*. UBC Press, Vancouver, British Columbia.

Healey, P. (2007) *Urban Complexity and Spatial Strategies*. Routledge, London.

Jenkins, J. (2000) The dynamics of regional tourism organisations in New South Wales, Australia: history, structures and operations. *Current Issues in Tourism* 3, 175–203.

Jenkins, J. and Sorensen, T. (1996) Tourism, regional development and the Commonwealth: a critical appraisal of the regional tourism development program. *Australian Leisure* 7, 28–35.

Jenkins, J.M. and Stolk, P. (2003) Statutory authorities dancing with enterprise: WA Inc., the Eastern Australian Tourism Commission, and the global dance affair. *Annals of Leisure Research* 6, 222–244.

Laws, E. (1995) *Tourist Destination Management: Issues, Analysis and Policies.* Routledge, London/New York.

Leiper, N. (1990) Tourist attraction systems. *Annals of Tourism Research* 17, 367–384.

Leiper, N. (1995) *Tourism Management*. TAFE Publications, Collingwood, Victoria.

Levin, P. (1997) *Making Social Policy: The Mechanisms of Government and Politics and How to Investigate Them*. Open University Press, Buckingham, UK.

Lue, C., Crompton, J. and Fesenmaier, D. (1993) Conceptualization of multidestination pleasure trips. *Annals of Tourism Research* 20, 289–301.

Mathieson, A. and Wall, G. (1982) *Tourism: Economic, Physical and Social Impacts*. Longman Scientific and Technical, Harlow, UK.

Murphy, P.E. (1985) *Tourism: A Community Approach*. Methuen, New York.

Murphy, P.E. (1988) Community driven tourism planning. *Tourism Management* 9, 96–104.

NCRT (National Centre for Regional Tourism) (1999) *Regional Tourism Organisation's Best Practice Manual*. NCRT, Nowra, New South Wales.

O'Neill, J. (2008) *Review into Tourism in New South Wales: Final Report for the Premier of New South Wales, The Hon Morris Iemma MP*. Available at: http://www.atec.net.au/review_into_tourism_in_nsw___john_o_neill_ao.pdf (accessed 9 March 2011).

Parliament of Victoria (2008) *Inquiry into Rural and Regional Tourism*. Parliament of Victoria, Melbourne, Victoria.

Pearce, D. (1989) *Tourist Development*, 2nd edn. Longman, Harlow, UK.

Pforr, C. (2001) Tourism policy making in Australia's northern territory. *Current Issues in Tourism*, 4(2–4), 275–307.

Pforr, C. (2002) The makers and shapers of tourism policy in the northern territory of Australia: a policy network analysis of actors and their relational constellations. *Journal of Hospitality and Tourism Management* 9, 131–151.

Pforr, C. (2005) Three lenses of analysis for the study of tourism public policy: a case from northern Australia. *Current Issues in Tourism* 8, 323–324.

Pigram, J.J. and Jenkins, J.M. (2006) *Outdoor Recreation Management*, 2nd edn. Routledge, London.

Priskin, J. (2003) Issues and opportunities in planning and managing nature-based tourism in the central coast region of western Australia. *Australian Geographical Studies* 41, 270–286.

Richins, H. and Mayes, G. (2008) Historical progression of sustainable management concerning marine tourism activities: a case study in eastern Australia. *Tourism and Hospitality Planning and Development* 5, 97–112.

Ritchie, J.R.B. and Crouch, G.I. (2000) The competitive destination: a sustainability perspective. *Tourism Management* 21, 1–7.

Ritchie, J.R.B. and Crouch, G.I. (2003) *The Competitive Destination: A Sustainable Tourism Perspective*. CAB International, Wallingford, UK.

Summers, J. (1985) Parliament and responsible government in Australia. In: Woodward, D., Parkin, A. and Summers, J. (eds) *Government, Politics and Power in Australia*. Longman Cheshire, Melbourne, Victoria, pp. 7–27.

The Stafford Group (2008) *Queensland Tourism Network Review. Prepared for the Queensland Tourism Strategy Implementation Steering Committee, May* 2008. Available at: http://www.tq.com.au/fms/tq_corporate/destinations/queensland/Network%20Review%20Report%20May%202008.PDF (accessed 9 March 2011).

Tourism NSW (2008) *NSW Tourism Strategy*. Available at: http://corporate.tourism.nsw.gov.au/Sites/SiteID6/objLib10/NSW%20Tourism%20Strategy.pdf (accessed 9 March 2011).

Tourism NSW (2010) Regional Network, Forum of Regional Tourism Organisations (FORTO). Available at: http://corporate.tourism.nsw.gov.au/Regional_Network_p571.aspx (accessed 9 March 2011).

Tribe, J. (1997) The indiscipline of tourism. *Annals of Tourism Research* 24, 638–657.

Western Australian Local Government Association (2008) *The Journey: Sustainability into the Future. Shaping the Future of Local Government in Western Australia*. Western Australian Local Government Association, Perth, Western Australia. Available at: http://www.walga.asn.au/sss/documents/the_journey_final_report.pdf (accessed 9 March 2011).

Yeoman, I. (2008) *Tommorrow's Tourist: Scenarios and Trends.* Advances in Tourisn Research Series Volume 16, Elsevier, Oxford, UK.

Young, G. (1973) *Tourism: Blessing or Blight?* Penguin, Harmondsworth, UK.

3 Travel Motivation, Benefits and Constraints to Destinations

Philip L. Pearce

————————————

Introduction

Airports are a good location for observing others. Questions about the motivations of other travellers are common in such contexts. Why is that older couple going to Florida? What about that pretty girl travelling alone to Paris? The family with all the kids and toys – why do they seem to be travelling to Hawaii during school time? For the casual observer speculating about people's motives is a good way to pass time, while for destination managers it involves challenges of matching the tourism experiences available at their locations to people's needs. Additionally, for tourism academic researchers, it is a topic rich in history, methodological challenges and opportunities for refining our understanding.

In order to tackle this topic, several preliminary perspectives are needed. First, a professional view of motivation requires the analyst to be mindful that other travellers may not be driven by the same social, cultural and biological needs as the observer. An enduring challenge for students, professionals and academics researching motivation is to allow the possibility that other people may see the world quite differently, their needs may be different and their approaches to the destination they visit may be unconventional. This issue can be summarized with the expression 'to take an emic perspective',

which amounts to seeing the world from the insider and participant's point of view (Pike, 1966; Cohen, 1979).

A second preliminary consideration involves the issue of scale or the specificity of the motivation question. The question 'Why do people travel?' is, in an academic and practical sense, a poor question. It is akin to asking the equally amorphous question: 'What are the impacts of tourism?'. These kinds of questions, which are conceived most often by those outside the tourism field, can only be answered with a bland overview of a myriad of instances and cases. A much better approach for all those truly intent on coming to a rich understanding of motivation is why certain groups of people choose certain holiday experiences. A key point implied by this assertion is that we are mostly interested in working at the social or group level rather than in explaining individual motivation. It can also be noted here that we are not assuming that a specific destination, whether it be London or Las Vegas, offers only one set of experiences. That would be a mistake. Instead, we are trying to determine a relatively convenient number of common patterns or themes defining the forces prompting people to travel.

The material presented in this chapter moves through a timeline of studies in tourist motivation. Initially, key definitional issues

are considered. Next, the chapter introduces contributions to tourism motivation study from, in turn, historical analyses, psychological theory and market research work. The value of a good organizing theory or conceptual scheme is highlighted and the syntheses of ideas about tourist motivation by tourism academics are considered. Some recent concerns about tourist motivation study methods and concepts embellish the discussion. The applications of tourist motivation assessments are considered and the wider use of these kinds of approaches is enthusiastically pursued.

Background

Tourist motivation deals with a special subset of the wider interest area of human motivation. It is effectively the total network of biological and cultural forces that give value and direction to travel choice, behaviour and experience (Pearce *et al.*, 1998). The key implication for all those considering tourist destinations and their management is that it is tourist motivation which energizes and generates people's behaviour (Mansfeld, 1992; Hsu and Huang, 2008).

There are some defining characteristics of tourism which shape the kind of explanations we are seeking when assessing tourist motivation. Tourism, like leisure, is a hybrid public–private sector social enterprise. Contemporary tourism in its many forms permits individuals some freedom to choose how to spend their time (and money). It thus becomes a likely venue for the expression of well-being and an embodied, performative opportunity to enhance one's perceived life satisfaction (Harris, 2005). As a consequence, tourist motivation analysis needs to be cast within a framework of considering preferred future states for individuals. Further, the influence of close relationships in particular can be a powerful moderator of individual motivation in tourism experiences. These characteristics of tourism have important implications for the study of tourist motivation. The episodic, dynamic, relationship-dependent, future-oriented and varied experiences inherent in tourism imply that there is likely to be a complex pattern of learning about being a tourist and what satisfies the individual. As tourist motivation is considered in the following sections, the importance of these key characteristics will be reconfirmed as strong influences shaping the development of tourist motivation ideas and concepts.

There are other expressions used in the study of tourist motivation that warrant attention. The concept of benefits is also employed, often by tourism marketers. Benefits can be understood as the post-travel consequences relevant to classes of motives (Ryan, 1995). In this framework, the motive might be spending time with close family members, while the benefit may be actually strengthening a relationship with a son. It is possible to see benefits as realized specific outcomes of motives. Of course, sometimes, benefits can be unexpected (and positive) or fail to materialize. When benefits are used in surveys by researchers as something that visitors seek, they function as rather specific instances or sub-components of motives. The only difficulty in this approach is that the range and complexity of benefits challenges researchers' abilities to specify confidently and exhaustively all these outcomes for travellers.

Another term employed in a similar way to motives is that of values, which are summary statements integrating people's attitudes on a topic. Groups of travellers might be identified as having strong environmental conservation values which, for example, may shape their on-site behaviour in a wilderness tourism setting. Values can be linked to social and cultural motives but may not necessarily drive tourist behaviour. For example, individuals may value social relationships highly but be fully satisfied with this aspect of their lives where they live, and hence there are no motivational implications for their travel choices. A further specific limitation of the values concept is that there is little attention to the biological components of human experience which are incorporated in the wider concept of motivation.

One final term, that of expectations, is also sometimes used in motivation studies. Expectations, as used in destination studies,

are really anticipatory beliefs about the attributes of destinations. We can expect that there will be good weather, fine beaches and good art galleries because our background information sources and personal knowledge have shaped our beliefs. It is also possible that we will have expectations that a location will satisfy our motives – such as believing that a trip to Tahiti will meet our needs to escape from urban pressures. When viewed in this way, expectations can have a role in the assessment and determination of the consequences of motives, but they are not in themselves motives. There are consistent lines of research that use expectations as a fundamental component in the assessment of satisfaction (Kozak, 2001), but complex problems with when to assess expectations and the clarity of expectations for tourism experiences have attracted criticism (Ryan, 1995; Pearce, 2005).

Sources of Travel Motivation Concepts

An understanding of tourist motivation has benefited from adapting ideas from at least three sources of information. A broad array of motivational forces can be identified by considering the history of travel and popular writing about that history (Young, 1973; Casson, 1974; Belasco, 1981; Urry, 1990; de Botton, 2002, 2009). In these reviews of the forces that have driven early travellers there are imputed motives of escape, relaxation, status, education and health. One contemporary example can serve to characterize the style and contribution of these travel commentators. de Botton (2009) emphasizes travellers' needs as follows:

> We must ask of our destinations, 'Help me to feel more generous, less afraid, always curious. Put a gap between me and my confusion; the whole of the Atlantic between me and my (problems)'. Travel agents would be wiser to ask us what we hope to change about our lives rather than simply where we wish to go (p. 104).

de Botton's remarks also stand here as a representative of the body of literature and artistic effort that has wryly commented on travel motivation and tourist behaviour for many years. For readers interested in this literary commentary, the classical works of Mark Twain, Ernest Hemingway, John Steinbeck, Joseph Conrad and D.H. Lawrence repay attention. Additionally, popular travel writers such as Michael Palin, Paul Theroux, Jan Morris, Eric Newby and Bill Bryson make for entertaining and at times insightful reading about what motivates travellers.

A second major source of commentary on motivation is the more earnest and complex contribution residing within the discipline of psychology. It was the work of those writing about 'dynamic psychology' that first popularized the study of motives and began constructing extensive lists of needs (Boring, 1950, p. 692). Dynamic psychology was an early 20th century attempt to predict people's behaviour from a core understanding of human nature. The approach built on antecedents in the Greek interest in hedonism, which itself has a long philosophical and political lineage (Grayling, 2005). The founding figures here were the Greek scholars, Aristoppos and Epicurus, who claimed that the highest purpose of life was an active devotion to pleasure. At core, hedonism proposes that individuals seek to maximize their pleasure and avoid pain. Immediate pleasure and gratification, when enjoyed without any view of their consequences, does tend to bring people into conflict with others, especially if they too are outright hedonists. While continuous sensory indulgence, even licentiousness, might appeal, and possibly still does in some tourism destinations, a slightly longer term view recognizes that such a set of actions quickly results in painful interpersonal conflict. The work of Freud, with his strong emphasis on sexual needs, represents just one branch of dynamic psychology thinking identifying issues relating to hedonism. The contributions of other pioneering psychologists, such as Henry Murray, Kurt Lewin and Abraham Maslow, are of particular interest in assessing the continuing contribution of the early psychology researchers to contemporary tourist motivation.

The importance of Lewin and Murray in this account of the roots of tourist motivation

lies in their focus on the sociocultural needs of individuals. While motivation has already been defined as the sum of biological and cultural forces that drive behaviour, the task of inventing a language and definitions of sociocultural needs has been the hardest part of the formulation. The basic biological drivers of food, drink, sex and physical shelter can be assessed and readily understood, but sociocultural needs must deal with international variability and interpretation. In Murray's system, the term 'need' was employed, rather than the older biologically based concept of 'instinct', and in Lewin's work the expression 'tension' was used. The concept of need is the one that has survived best, but Lewin's influence remains in asserting that when measuring motivation, the life context of the individuals must be considered. A need, Murray suggested, is characterized by its effect, not by the particular movements that may accompany it. Needs are directional because they aim at effects or outcomes. The achievement of the effect abates or diminishes the power of the need, at least temporarily. As an example, the need to achieve is directional because it pushes individuals to reach goals and meet standards. The need then is not to complete the spreadsheet or score a home run, but it is reaching the goal – that is, accomplishing target activities – which dispels the urgency of the need. It is important to stress here that needs should be reserved for the smaller class of driving sociocultural forces rather than be applied to all the specific activities which may satisfy the underlying driving mechanism.

Murray in particular was content to describe many sociocultural needs, but other psychologists tried to be more succinct. Abraham Maslow especially put forward a much referenced system to organize the needs identified by Murray and others into a hierarchy with organized layers of succession (Bowen and Clarke, 2009). It is important to reflect that much of this psychological inquiry was directed at understanding the way personality was shaped, and that those analysts and clinically minded researchers were often intent on describing unusual features of individual functioning. Needs identified by psychologists and reworked in formulations of tourist motivation

include reducing anxiety, maintaining arousal, achievement, self-development, escape, relaxation, hunger, security, competence, mastery, respect, self-actualization and affiliation.

A third line of work contributing to tourist motivation approaches will be much more familiar to destination managers. Two levels of contribution can be noted; the work of government statisticians and the reports of commercial consultants. Large-scale surveys by government departments provide some information relevant to motivation. Migration and customs documents typically pose questions to travellers of the form 'What is your main purpose of travel?' The options presented to those crossing international borders include holiday, visiting friends and relatives, business, conference or convention, and migration. This kind of information is reported by national tourism bodies as well as by the United Nations World Tourism Organization (UNWTO) and provides a broad window framing overall motivational categories. Much of the other consultancy and academic work in tourist motivation tries to investigate the 'holiday' category more intensively, and the broad categories used in the UNWTO-style descriptions are best referred to as overall trip purpose rather than tourist motivation.

The studies conducted by consulting companies on travellers' motivations are much less readily available than the government statistical data. As commercial organizations operating on a fee-for-services basis, the studies carried out by private companies are not so subject to the scrutiny of other researchers. Nevertheless, some companies have worked intensively with national and regional tourism organizations for many years and provide information on clusters of travellers according to schemes they have devised, which include traveller motivation questions. Organizations such as Longwoods in North America and the Roy Morgan organization in Australia are typical examples. While the detailed processes, techniques and even the questions used to generate the findings are somewhat hidden, it is common to hear motivationally based market segments described in tourism industry conferences and seminars. Labels such as 'traditionalists',

'status seekers', 'achievers', 'postmoderns' are variously employed to highlight group differences. This kind of work raises questions to which we will return when considering the application of the travel motivation studies in the academic literature.

Specific Tourist Motivation Theories

A number of tourism scholars have used these multiple sources of information to devise theories or conceptual schemes which provide structured approaches to tourist motivation. The distinction between the notion of theory and subsidiary terms, such as models and conceptual schemes, is important. At core, a theory sets out assumptions, integrates information, specifies the links among key driving factors and predicts new outcomes (Dawkins, 2009; Tribe, 2009). The manner in which driving forces and outcomes are related may be expressed mathematically or in terms of clearly stated links, chains or sequences. From these considerations, it can be suggested that the existence of a fully fledged theory of tourist motivation is unlikely and that the term is probably overused. A more pragmatic approach in keeping with the range of ideas already presented about motivation, and the levels at which those topics are investigated, is to look for insightful conceptual schemes. These research-guiding devices may be seen as a component part of fully fledged theories: the component that specifies the relationships among key concepts (Greene, 1994; Pearce, 2005). The simpler term concept is also quite valuable in tourism study because it offers the promise of sorting and organizing much descriptive material. For all those interested in tourist motivation, it is important to note in this context that the existing proposals for understanding travellers' needs are not finished or static products in social science research. Indeed, the conceptual schemes to be discussed here have been modified from their first versions and will continue to undergo revision as a part of a constructive process of appraisal and reappraisal. In a small way, some of the suggestions in the final parts of this chapter represent an ongoing contribution to how tourist motivation might be useful for destination development and management.

The criteria for a sound motivational framework reflect some of the unique attributes of tourism specified earlier; notably its episodic, dynamic, relationship-dependent, future-oriented and varied character. In order to capture these qualities, Hsu and Huang (2008), following Pearce (1993) and Pearce *et al.* (1998), suggest that a 'good' motivation theory needs to be multi-motive, dynamic, measurable and relatively easy to communicate. In addition, it is most essential that the approach functions as an organizer and synthesizer of existing information, with the desirable additional characteristic that it has a future-oriented or predictive capacity.

The work of Stanley Plog (1974, 1987, 1991, 2001) represents one starting point in travel motivation assessments. This work has often been presented as the major tourism motivation theory in textbooks. It was conceived in the context of providing advice to airlines and, in its early phases, the key methods and data were not subject to substantial academic scrutiny. Plog's approach suggested that travellers could be represented by their position on a single dimension or scale. Travellers were seen as distributed along a dimension that extended from the categorization psychocentric (non-adventurous, inward looking) through to mid-centric (neither outgoing nor particularly inward looking) through to allocentric (adventurous and enthusiastic about seeking new locations). A path of social influence was also noted in the Plog model, with the more adventurous travellers communicating their experiences to the less confident ones. In time, the level of travel experience in the community grows and even greater demand is created. There are limits though to this transfer of confidence process, because the mid-centrics do not influence the allocentric adventurers. As a consequence of this one-directional influence, destinations tend to develop more facilities and sources of comfort to meet the growing market. In Plog's view, these processes assist in explaining the rise and fall of popularity of travel destinations.

In the absence of other approaches, Plog's work gained an initial currency in the tourism curriculum, while its genesis in consultancy work prevented some of the close scrutiny which followed its ongoing academic use. As noted from the list of references, Plog provided revisions and upgrades to the approach – a second dimension of lethargy versus high energy orthogonal to the first dimension was added in 1991 – and he continues to work on the scheme while providing advice to companies and travel organizations, including airlines. Commentary on Plog's approach has been mixed, with Smith (1990), Andreu *et al*. (2005) and McKercher (2005), among others, finding it to be inadequate on some of the key 'good theory' criteria assembled earlier. The criticism has been strongest in terms of the transparency and adequacy of its measurement and its inability to consider multiple motives or sources of influence. The link to destination development is also problematic. Entrepreneurs, and sometimes governments, are involved in the conscious, proactive creation of destinations rather than in slowly responding to changes in demand as emphasized in the Plog approach (Murphy and Murphy, 2004).

Plog's work raises a distinction of some importance in tourism motivation because he suggested that allocentric holiday makers travelled to far-off destinations which possessed exciting characteristics. Both Dann (1977) and Crompton (1979) identified a difference between motivational approaches, which emphasized the forces inside individuals propelling them towards destinations, and the actual characteristics of those destinations. This difference is known as the push–pull distinction. Push factors are the true motivational forces and arise from the individual's psychological needs and social context (Pizam *et al*., 1979). Pull factors, by way of contrast, refer to features of the destination which are likely to attract people. It is misleading to refer to these pull factors as motivational forces, but it is important that motivation theorists find a way to consider and integrate them into an understanding of how true motivation functions for destination marketing and management.

When confronted with this push-pull distinction, some students, and possibly some destination management marketers, might respond that the distinction seems arbitrary as both sets of factors matter in getting people to new places. The problem in freely mixing pull factors with push factors in trying to determine the motivational profiles of visitors is that it can draw the analyst or researcher into linking attributes to motivations in an etic fashion. That is, one activity or destination attribute, such as white-water rafting or casino gambling, can be valued by different travellers for very different reasons (cf. Klenosky, 2002). If the destination marketer assumes that it is only the adventure motive which matters then the promotion and selling of the product to those who seek to fulfil other motives may be underplayed. A better approach is to profile the true push motives, then separately assess the destination characteristics from the perspective of the travellers and, lastly, determine the match between these travel defining factors. Some work in this tradition and some suggested improvements to this work will be considered in the final section of this chapter.

In the historical timeline of reviewing contributions to travel motivation, the ideas of Dann (1977) and Crompton (1979) can be seen as contemporary with Plog's early work. Their contribution to distinguishing between push and pull motivation has already been noted. Additionally, and in separate ways, they offered relabelled versions of the kinds of needs reviewed in the section on motivation research in psychology. Crompton, using detailed unstructured interviews, noted the importance of escape from a mundane environment, exploration and evaluation of self, relaxation, prestige, regression, enhancement of kinship relationships and facilitation of social interaction. The labels are subtly different but the concepts are very similar to the core ideas in the psychology of motivation. Dann's contribution was a little different, as he used sociological theory to derive his terms; the motives he identified were termed anomie (the desire to transcend isolation) and ego-enhancement (people's need to be recognized and feel good). Previous commentary on this work asserted that these labels, while

arising from a different sociological approach, were in effect restatements of love and belongingness needs and self-esteem needs, as reported by Maslow, Rogers and other psychologists (Pearce, 1982). These early ideas did not develop into full theories of tourist motivation and remain as content based contributions to other motivational schemes and systems.

The research of Iso-Ahola (1980) and Mannell and Iso-Ahola (1987) represents another link in the history of push-style motivational theories. This approach, developed at first by Iso-Ahola (1980), was referred to as the intrinsic optimal-arousal perspective. It was based on a desired state of stimulation for travellers. Iso-Ahola argued that tourist and leisure behaviour takes place in a context that permits individuals to manage a comfortable pathway between overstimulation (too much arousal) and understimulation (boredom). The approach also emphasized taking motivational assessments as close as possible in time to the actual participation. Further, it highlighted the importance of participants' feelings of competence and their ability to set their own agendas to ensure their satisfaction. A developed version of this approach was offered by Mannell and Iso-Ahola (1987). They argued for the combined effects of two push forces in accounting for travel motivation: the desire to escape from routines and stressful environments and the desire to seek recreational opportunities and personal rewards. In a small diagram to illustrate these push forces, they are represented as two orthogonal dimensions with one axis being escaping personal environments and seeking personal rewards and the other escaping interpersonal environments and seeking interpersonal rewards. Again, it is argued that there is an optimal level of arousal for travellers. In an assessment of early motivation theories, Pearce (1993) commented on the Iso-Ahola formulation by suggesting that its future use would be limited unless more precise measures of optimal arousal could be articulated. This prediction seems to have been confirmed, with Hsu and Huang (2008) noting that the theory was originally derived for a leisure context and has not persisted

powerfully as a conceptual scheme for tourist motivation researchers. Nevertheless, each of these early motivation efforts builds the scholarly contribution to the area with the importance of the travellers' context, as suggested by Iso-Ahola, and the desire to take measurements close to actual travel times remaining as notable points.

Another travel motivation theory has also been developed over a substantial period of time. This approach, now known as the travel career patterns (or TCP) conceptual scheme, is a substantially reworked version of an earlier travel career ladder approach (Pearce, 1988, 2005; Bowen and Clarke, 2009). The initial conceptual scheme highlighted the importance of travellers' changing their motivational needs over time with more travel experience. These changing motivational needs were described by building on the Maslow hierarchy of needs approach, which resulted in the use of five levels of a travel career ladder. The steps involved were physiological needs, level of stimulation control, relationship needs, self-esteem needs and self-actualization or personal growth needs. It was argued, both conceptually and using evidence from travellers' accounts, that as travellers became more experienced they were motivated more by the self-esteem and self-actualization needs. The use of analogies is, however, sometimes a constraining factor in explaining a set of ideas. In this case, the use of the term ladder tended to see students, destination managers and even other academics use the analogy to mean that travellers belonged to only one level of the five steps (Ryan, 1998). This interpretation was not intended as it was a shifting tapestry of needs that was implied, and the ladder was meant to be interpreted as emphasizing the development of different patterns of needs over time. At any one time, all might be important, but to differing amounts. This problem, together with other useful criticisms of the early work concerning the need for better measurement, led to the development of the travel career patterns approach which retained the notion that travellers' motives changed with travel experience. The new work also attempted to provide better measurement of the motives

and a fuller treatment of travel experience. It stressed the notion of a pattern of motives with a new pictorial representation (Pearce and Lee, 2005).

Because the travel career pattern approach is one of the more developed conceptual schemes used in travel motivation, its development and characteristics will be explained in some detail. A very long list of motives and needs was considered in the construction of the travel career patterns (Pearce, 2005). Some of these needs were derived from intensive qualitative research with a small number of travellers who had different domestic and international travel experiences. Many needs were extracted from previous studies and the psychology literature on motivation. Synonyms and idiosyncratic responses were eliminated, and 74 motives were then subjected to principal component analysis. Fourteen factors were identified in a survey of over 900 western (mostly Australian and UK) travellers. A repeat of the quantitative component of the work was undertaken with over 700 Asian travellers (Korean respondents), and the details of these studies are reported in Pearce (2005) as well as in Pearce and Lee (2005). The 14 resultant motives, which were corroborated across the two samples, were, in order of importance, novelty, escape/relax, relationship strengthening, autonomy, seeking nature, self-development through involvement with hosts or the site, stimulation, self-development of a personal kind, relationship security (enjoying being with similar others), self-actualization (getting a new life perspective), isolation, nostalgia, romance and recognition (prestige of travelling). These motive categories reflected many of the forces described in previous studies but, in sum, provided one of the more complete motivation inventories undertaken in the tourism field. The key feature of the travel career pattern approach was then to use the levels of travel experience reported by the respondents to formulate a three-part model which described the relationships between these 14 motives and the amount of travelling which the respondents had undertaken.

The varied importance of the motives suggested that a pattern could be imposed on the data such that for all travellers there was a core layer of motives that were very important. These motives were to escape and relax, to experience novelty and to build relationships, and they were relatively unaffected by how much travelling the participants had experienced. These findings were in close accord with the early studies in the field, especially the work of Crompton (1979). There were further motives, which were structured into a middle and outer layer of importance. For the most experienced travellers, the middle layer of motives was more important than the outer layer. By way of contrast, those with limited travel experience tended to see all motives as quite important. The phases or stages of the travellers' life cycle were also linked to the travellers' motive patterns, but here there were some Asian and western cultural differences. For western travellers, later stages of the life cycle also tended to be linked to more travel experience and the alignment of motive importance as already described. This life stage-travel experience and motive patterns link was not so consistent for the Korean travellers in the Asian sample. Younger Koreans had often travelled more than older Koreans, so the links between travel experience and later stages of the life cycle were not strong. This discrepancy is readily explained because the availability of travel as a discretionary leisure pursuit is a more recent phenomenon in Korean society (Kim *et al.*, 1996). Indeed, most of the variability in the Korean data was better explained simply by the amount of travelling rather than by the age and life-cycle stage of the respondents. Overall, the motive structures were broadly consistent both for Asian and the western travellers. The two large-scale studies confirmed the notion that individuals tend to have a travel career which is dependent on both their holiday experiences and the stage that they are at in their life cycle. Together, these forces shape a different pattern of importance in their travel motives. A pictorial representation of the travel career patterns approach is provided in Fig. 3.1.

The travel career patterns approach, in common with all the push-based approaches to motivation reviewed in this chapter,
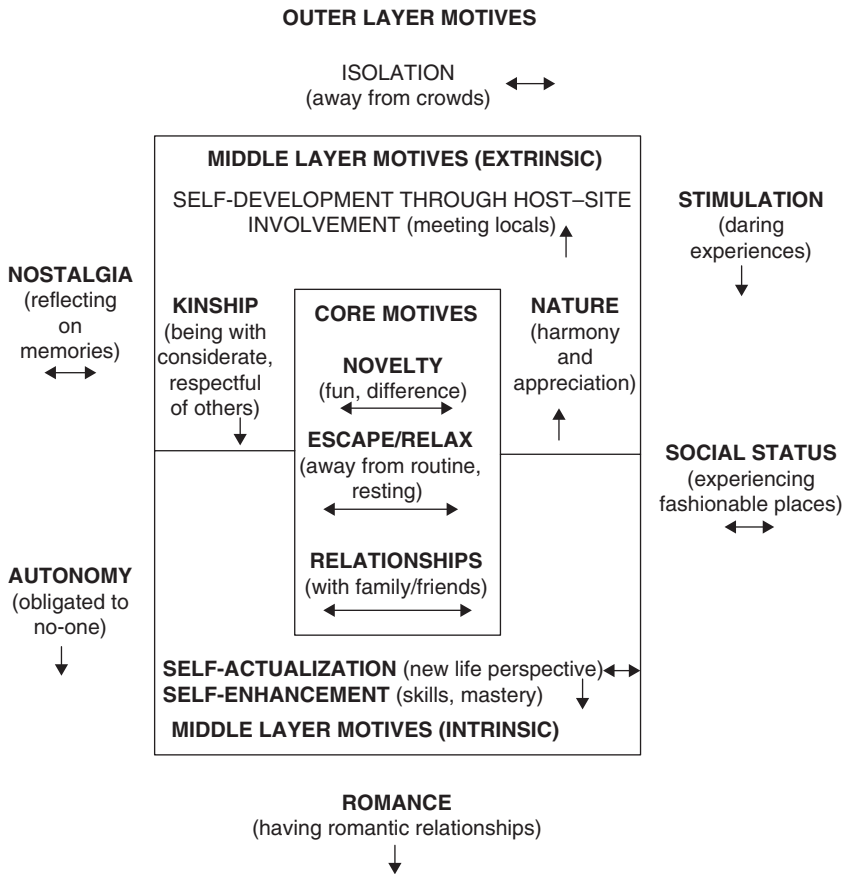
OUTER LAYER MOTIVES

ISOLATION
(away from crowds) ↔

MIDDLE LAYER MOTIVES (EXTRINSIC)

SELF-DEVELOPMENT THROUGH HOST–SITE
INVOLVEMENT (meeting locals) ↑

STIMULATION
(daring
experiences)
↓

NOSTALGIA
(reflecting
on
memories)
↔

KINSHIP
(being with
considerate,
respectful
of others)
↓

CORE MOTIVES

NOVELTY
(fun, difference)
↔

ESCAPE/RELAX
(away from routine,
resting)
↔

RELATIONSHIPS
(with family/friends)
↔

NATURE
(harmony
and
appreciation)
↑

SOCIAL STATUS
(experiencing
fashionable places)
↔

AUTONOMY
(obligated to
no-one)
↓

SELF-ACTUALIZATION (new life perspective) ↔
SELF-ENHANCEMENT (skills, mastery) ↓
MIDDLE LAYER MOTIVES (INTRINSIC)

ROMANCE
(having romantic relationships)
↓

Fig. 3.1. The core structure of the travel career patterns (TCP) approach. The highest loading item(s) for the factors are in brackets and the directions of the arrows indicate changing emphases with increasing traveller experience.

remains a work in progress. There are opportunities to use and refine these motivation tools either through applied use or through the processes of academic revision. It is also possible to reinterpret other data using the approach. For example, the work on the motivational underpinnings of spa and wellness tourism by Mak *et al*. (2009) reveals the same kinds of importance patterns for travellers' motives. At this stage in the development of this array of ideas about travel motivation, the travel career patterns approach does meet many of the criteria specified for a good motivation theory (dynamic, multi-motive, measurable, integrating and summarizing previous work,

offering predictions), but it does require users to work with a long list of motive items.

Additional Contemporary Considerations

There are some further contemporary ideas about travel motivation from an array of sources which are valuable in completing this historically organized review. Some of these contributions are summarized by Bowen and Clarke (2009) in their eclectic review of tourist motivation. The points raised in their review act both as a commentary and a challenge to the kinds of work

reviewed. The first issue to be considered is accounting for a postmodern perspective on tourist behaviour and experience. In one of the clearest early statements of this approach, Urry (1990) suggested that the diversity and complexity of contemporary tourism permits travellers to choose among many alternative experiences. This expansion of the available options, like other widening options in consumer culture, permits travellers to be less consistent customers – effectively dilettantes – in the way that they approach holiday purchases. The implication of this assessment, supported by the work of others who have pursued this style of thinking (cf. Rojek and Urry, 1997; Uriely et al., 2002), is that it is increasingly hard to define tourists as having clear and well-defined motives, especially as these motives may be in flux across holiday experiences and even within one trip. The argument is powerful, but it is not totally destructive in terms of reducing the value of tourist motivation theories. The postmodern accounts still suggest that tourists are motivated by needs, and both empirical and interpretive studies tend to return to lists of needs very similar to those already discussed. Wickens (2002), for example, decides that the British tourists she studies in Greece are motivated by several feeling states; escape, ontological security (the force of habits and comfort levels) and the pursuit of pleasure are seen as core drivers. In addition, the postmodern perspective leads her to conclude that tourists also step outside the mass tourist role which characterizes the type of trip they have purchased, and that some visitors show interest in and pursue specific activities with local communities rather than being focused on hedonistic pleasures. This is not really a challenge to ideas such as the travel career patterns approach, but it can be viewed as a specific and detailed contextual assessment of the shifting of patterns. Kurt Lewin, writing over 70 years earlier, would have been proud of such an approach.

The activity of classifying tourists' experiences represents a second issue of relevance to tourist motivation. One scheme in particular, that devised by Erik Cohen (1979), has provided a framework for many subsequent studies, particularly those conducted by

Israeli researchers (Maoz, 2004, 2005; Noy; 2005; Uriely, 2005). Cohen's scheme used a mix of travel styles and travellers' interests to form five broad categories of tourist types. These were labelled recreational, diversionary, experimental, experiential and existential. Much of the attention has been on whether or not special subgroups of travellers – such as backpackers – were best described by the existential category or by the other labels (Maoz, 2004; Noy, 2004). The category scheme devised by Cohen has been influential, but it is really like an a priori factor analysis of sets of motives which are then linked to traveller characteristics. Bowen and Clarke (2009) challenge its continuing usefulness due to its broad nature and the view that it lacks clear indications of how the categories can be used to understand or predict shifts in travel behaviour. It is perhaps best described as a short cut in motivational analysis and a useful framework for sociological studies, rather than as fitting the needs of close academic scrutiny in a destination management context.

Other questions and challenges have been identified for travel motivation analysis. Bowen and Clarke (2009) reintroduce the view that travellers may not wish to be honest and will report only socially acceptable motives (Dann, 1981). A well-designed questionnaire and assurances of respondent anonymity may limit these effects, but potentially they still exist. The value of appraising motives with dual or multiple pathways is a potentially useful check on these limitations. The limitations of questionnaire and survey material should not be overstated. In particular, researchers should not be led into assumptions that there is a 'false consciousness' in their respondents' views. That is, it is problematic for authors to suggest that while the data they have collected reveals one set of motives, it really means something else because the tourists were unwilling to express their true motives. This kind of thinking undermines social science research efforts because it depends almost entirely on the researchers' subjective views. The checking of motivational perspectives via alternate qualitative and interpretive materials is a more transparent way forward. Projective

techniques, information from travellers' blogs, travel biographies and even focused novels about certain groups of travellers, may all contribute to a mixed-methods solution (Filep and Greenacre, 2007; Pearce and Maoz, 2008).

A further substantial consideration relating to travel motivation lies in considering the constraints that prevent the execution of people's stated needs. As an example of this set of concerns, Fleischer and Pizam (2002), examining travel issues and Israeli seniors, observe that as people grow older there is a contradiction in the influence of constraining variables. Poor health and emerging financial limitations tend to depress travel, while the time available to travel expands. Other kinds of travel constraints may be outside individual control. In China, for example, government decisions on the provision of the so-called Golden Weeks as the only available holiday periods has compressed the time for travel for most citizens. This has produced intense institutional seasonality effects in the form of substantial crowding at many sites – an effective deterrent to travel (Chen, 2010). Another form of external influence lies in the power of the travellers' immediate social circle. For many, what others want and what they decide for holidays may be the defining factors influencing where individual take their vacations. This socially networked set of influences on travellers can be at odds with understanding motivation if only an individual perspective on traveller decision making to only one destination is taken (Stewart and Vogt, 1997).

For the impoverished student, and probably for any commercially oriented destination marketer, there is a major variable missing in these motivational analyses. It is money. How is cost factored into these travel motivation accounts? Perhaps it is all much simpler than we have been asserting, and where people go is based on what they can afford. Clearly this is not a trivial issue. There are two responses to these concerns. First, the cost of holidays does indeed vary, and while it is a decisive concern – in effect a potentially positive or limiting pull factor, many travellers contemplate holidays that cost about the same amount of money. The motivational forces discussed here, as well as the remaining pull factors, thus become the differentiating determinants of where people travel. A second response to the question is at a more generic level of interest. Research by economists does suggest that rises and falls in exchange rates do have a corresponding impact on travel between pairs of countries (Crouch, 1993; Morley, 1994). Cost, then, matters and is a part of the mix we need to consider when applying motivational theories to destination selection and management.

Employing Travel Motivation Concepts

It is valuable to consider the variety of ways in which motivation studies may be useful. Much of the applied work has concentrated on the role of motives (often a mix of the push and pull factors) in broad-scale or overall destination selection. For examples, see Kim and Lee (2002) and Yoon and Uysal (2005). This work continues to be important but need not be seen as the only application of motivation theories and ideas to tourism planning and management. Motivation studies can also be applied to on-site behaviours in terms of how people behave when at the destination. The way that individuals use the facilities and experiences of a theme park, a museum, an urban space, a national park or a shopping precinct can also be of considerable interest to local destination managers (for an example see Moscardo *et al.*, 1996). A third but not insignificant use of the motivation ideas discussed in this chapter lies in assisting the broader understanding of changes in tourism and leisure. There is considerable speculation and commentary in the academic and wider literature about the changing motives of tourists (Rojek and Urry, 1997; Coleman and Crang, 2002; Cohen, 2004, 2007; Bowen and Clarke, 2009), and the ideas presented in the motivation theories reviewed here can contribute significantly to this public discussion.

There are several key points to observe when applying the concepts and ideas in motivation theory to the specific topic of destination selection studies. First, it is important

to use a comprehensive range of travel motives. The diversity of motives identified in the travel career patterns work represents one such starting resource. A small selection of motives or a sample of needs drawn from data collected by others for other purposes can fail to capture the complexity and variety of what drives tourist behaviour. It is also not enough just to see whether the travellers report the motives; instead, the relative importance of the motives needs to be assessed. A consideration of the destination characteristics is equally challenging. Destinations can offer many kinds of activities and experiences. The critical question to be asked is whether or not the travellers believe that the features of the destination as they are presented in that location will meet their needs. Expressed in this way, destination selection is akin to individuals undertaking an imaginative, embodied leap of projecting themselves with their motivational needs and profiles into a variety of experiential settings at the destination. The cognitive processes that would-be travellers are undergoing need to be sympathetically reflected in the way questions about the destination characteristics are presented. This approach shapes the questions to be asked of the traveller: how much would you like to do this activity/experience in this destination, how important is this activity/experience to you and do you think this experience will meet your key needs? Again, assessing the personal importance and relevance of the items becomes a key part of the question-asking process.

The way to implement such an approach is to take a specific group of travellers, easily identified by a demographic label. It could be young Chinese female travellers with enough money to travel abroad or older, openly gay residents of San Francisco. The tracking of their experiences through structured questions, biographies and an exacting search for the fit between their important needs and key destination attributes could build an array of intensive case analyses culminating in a deeper understanding of travel motivation. These kinds of cases could be shaped by local industry needs, as most destinations have a priori categories of traveller types that they seek to attract. Much of the existing work in

the applications of these motivational ideas is undertaken with quantitative research approaches. This will remain a strong trend, but the approaches offered by Klenosky (2002) using layered questioning built on the means-end technique, and by Filep and Greenacre (2007) with a qualitative positive psychology framework for describing your best day, offer alternatives. It can also be suggested that questions using more visual stimuli and images of available experiences might enhance the accessibility of the destination characteristics.

Summary and Conclusion

Several key points should be clear from this analysis of tourist motivation. True travel motivation is a push factor, a patterned summary of the social, cultural and biological forces driving travel behaviour. Good theories or conceptual schemes in this area require a dynamic, multi-motive, measurable and integrative approach with some capacity for prediction. They also need to be transparent in their methods, a requirement which is not always met by consultancy efforts in this field. Of the various candidates put forward in the academic literature, the travel career patterns approach has considerable merit, but all contributions have strengths and can be selectively employed in applied studies. The ideas from travel motivation theories can be used in the contexts of destination selection and on-site destination management, but a further application lies in adding insights to the broad analysis of the evolution of tourism and leisure in contemporary society. Specific recommendations for using the array of travel needs and patterns discussed in this chapter include highlighting the need to be comprehensive in determining needs, specificity in asking about the importance of the needs and the requirement to be purposeful in seeking to link the projected destination expectations to the needs. The opportunities for both research and application in this area of tourist study are rich as, in its development and application, motivation study itself can fulfil many needs.

References

Andreu, L., Kozak, M., Avci, N. and Cifter, N. (2005) Market segmentation by motivations to travel: British tourists visiting Turkey. *Journal of Travel and Tourism Marketing* 19, 1–14.

Belasco, J. (1981) *Americans on the Road*. MIT Press, Cambridge, Massachusetts.

Boring, E.G. (1950) *A History of Experimental Psychology*, 2nd edn. Appleton-Century-Crofts, New York.

Bowen, D. and Clarke, J. (2009) *Contemporary Tourist Behaviour*. CAB International, Wallingford, UK.

Casson, L. (1974) *Travel in the Ancient World.* Allen and Unwin, London.

Chen, T. (2010) Tourism seasonality and China's Golden Weeks. PhD thesis. James Cook University, Townsville, Queensland.

Cohen, E. (1979) Rethinking the sociology of tourism. *Annals of Tourism Research* 6, 18–35.

Cohen, E. (2004) Backpacking: diversity and change. In: Richards, G. and Wilson, J. (eds) *The Global Nomad.* Channel View Publications, Clevedon, UK, pp. 43–59.

Cohen, E. (2007) Authenticity in tourism studies: après la lutte. *Tourism Recreation Research* 32(2), 75–82.

Coleman, S. and Crang, M. (2002) *Tourism. Between Place and Performance.* Berghahn Books, Oxford, UK.

Crompton, J. (1979) Motivations for pleasure vacation. *Annals of Tourism Research* 6, 408–424.

Crouch, G.I. (1993) Currency exchange rates and the demand for international tourism. *Journal of Tourism Studies* 4, 45–53.

Dann, G. (1977) Anomie ego-enhancement and tourism. *Annals of Tourism Research* 4, 184–194.

Dann, G. (1981) Tourist motivation: an appraisal. *Annals of Tourism Research* 8, 187–219.

Dawkins, R. (2009) *The Greatest Show on Earth: The Evidence for Evolution.* Bantam Press, London.

de Botton, A. (2002) *The Art of Travel.* Penguin, London.

de Botton, A. (2009) *A Week at the Airport: A Heathrow Diary.* Profile, London.

Filep, S. and Greenacre, L. (2007) Evaluating and extending the travel career patterns model. *Tourism Analysis* 55, 23–38.

Fleischer, A. and Pizam, A. (2002) Tourism constraints among Israeli seniors. *Annals of Tourism Research* 29, 106–125.

Grayling, A.C. (2005) *The Heart of Things: Applying Philosophy to the 21st Century*. Phoenix, London.

Greene, J.O. (1994) What sort of terms ought theories of human action incorporate? *Communication Studies* 45, 187–211.

Harris, D. (2005) *Key Concepts in Leisure Studies*. Sage, London.

Hsu, C.H.C. and Huang, S. (2008) Travel motivation: a critical review of the concept's development. In: Woodside, A. and Martin, D. (eds) *Tourism Management Analysis, Behaviour and Strategy.* CAB International, Wallingford, UK, pp.14–27.

Iso-Ahola, S.E. (1980) *The Social Psychology of Leisure and Recreation.* William C. Brown, Dubuque, Iowa.

Kim, S. and Lee, C. (2002) Push and pull relationships. *Annals of Tourism Research* 29, 257–260.

Kim, Y.J. (Edward), Pearce, P.L., Morrison, A.M. and O'Leary, J.T. (1996) Mature vs. youth travelers: The Korean market. *Asia Pacific Journal of Tourism Research* 1, 102–112.

Klenosky, D.B. (2002) The "Pull" of tourism destinations: a means-ends investigation. *Journal of Travel Research* 40, 385–395.

Kozak, M. (2001) A critical review of approaches to measure satisfaction with tourist destinations In: Mazanec, J.A., Crouch, G., Ritchie, J.R.B. and Woodside, A. (eds) *Consumer Psychology of Tourism Hospitality and Leisure, Volume 2.* CAB International, Wallingford, UK, pp. 303–320.

Mak, A., Wong, K. and Chang, R. (2009) Health or self-indulgence? The motivations and characteristics of spa-goers. *International Journal of Tourism Research* 1, 185–199.

Mannell, R.C. and Iso-Ahola, S.E. (1987) Psychological nature of leisure and tourism experience. *Annals of Tourism Research* 14, 314–331.

Mansfeld, Y. (1992) From motivation to actual travel. *Annals of Tourism Research,* 19, 399–419.

Maoz, D. (2004) The conquerors and the settlers: two groups of young Israeli backpackers in India. In: Richards, G. and Wilson, J. (eds) *The Global Nomad: Backpacker Travel in Theory and Practice.* Channel View Publications, Clevedon, UK, pp. 109–122.

Maoz, D. (2005) Young adult Israeli backpackers in India. In: Noy, C. and Cohen, E. (eds) *Israeli Backpackers: From Tourism to Rite of Passage.* State University of New York Press, New York, pp.159–188.

McKercher, B. (2005) Are psychographics predictors of destination life cycles? *Journal of Travel and Tourism Marketing* 19, 49–55.

Morley, C.L. (1994) Experimental destination choice analysis. *Annals of Tourism Research* 21, 780–791.

Moscardo, G., Morrison, A.M., Pearce, P.L., Lang, C.T. and O'Leary, J.T. (1996) Understanding vacation destination choice through travel motivation and activities. *Journal of Vacation Marketing* 2, 109–122.

Murphy, P. and Murphy, A. (2004) *Strategic Management for Tourism Communities: Bridging the Gaps.* Channel View Publications, Clevedon, UK.

Noy, C. (2004) This trip really changed me. Backpackers' narratives of self-change. *Annals of Tourism Research* 31, 78–102.

Noy, C. (2005) Israeli backpackers: narrative, interpersonal communication, and social construction. In: Noy, C. and Cohen, E. (eds) *Israeli Backpackers: From Tourism to Rite of Passage.* State University of New York Press, New York, pp. 111–152.

Pearce, P.L. (1982) *The Social Psychology of Tourist Behaviour.* Pergamon, Oxford, UK.

Pearce, P.L. (1988) *The Ulysses Factor: Evaluating Visitors in Tourist Settings.* Springer Verlag, New York.

Pearce, P.L. (1993) Fundamentals of tourist motivation. In: Pearce, D. and Butler, R. (eds) *Tourism Research: Critiques and Challenges.* Routledge and Kegan Paul, London, pp. 85–105.

Pearce, P.L. (2005) *Tourist Behaviour: Themes and Conceptual Schemes.* Channel View Publications, Clevedon, UK.

Pearce, P.L. and Lee, U. (2005) Developing the travel career approach to tourist motivation. *Journal of Travel Research* 43, 226–237.

Pearce, P.L. and Maoz, D. (2008) Novel insights into the identity changes among backpackers. *Tourism Culture and Communication* 8, 27–43.

Pearce, P.L., Morrison, A. and Rutledge, J. (1998) *Tourism: Bridges Across Continents*. McGraw-Hill, Sydney, New South Wales.

Pike, K.L. (1966) *Language in Relation to a Unified Theory of the Structure of Human Behaviour.* Mouton, The Hague.

Pizam, A., Neumann, Y. and Reichel, A. (1979) Tourist satisfaction uses and misuses. *Annals of Tourism Research,* 6(2), 195–197.

Plog, S.C. (1974) Why destinations rise and fall in popularity. *Cornell Hotel and Restaurant Quarterly* 14, 55–58.

Plog, S. (1987) Understanding psychographics in tourism research. In: Ritchie, J.R.B. and Goeldner, C. (eds) *Travel Tourism and Hospitality Research*. Wiley, New York, pp. 203–214.

Plog, S. (1991) *Leisure Travel: Making it a Growth Market … Again!* Wiley, New York.

Plog, S. (2001) Why destinations rise and fall in popularity: an update of a Cornell quarterly classic. *Cornell Hotel and Restaurant Quarterly* 42(3), 13–24.

Rojek, C. and J. Urry (eds) (1997) *Touring Cultures: Transformations of Travel and Theory.* Routledge, London.

Ryan, C. (1995) *Researching Tourist Satisfaction: Issues, Concepts, Problems*. Routledge, London.

Ryan, C. (1998) The travel career ladder: an appraisal. *Annals of Tourism Research* 25, 936–957.

Smith, S. (1990) A test of Plog's allocentric/psychocentric model: evidence from seven nations. *Journal of Travel Research* 28(4), 40–43.

Stewart, S.I. and Vogt, C.A. (1997) Multi-destination trip patterns. *Annals of Tourism Research* 24, 458–460.

Tribe, J. (2009) Philosophical issues in tourism. In: Tribe, J. (ed.) *Philosophical Issues in Tourism*. Channel View Publications, Bristol, UK, pp. 3–22.

Uriely, N. (2005) The tourist experience: conceptual developments. *Annals of Tourism Research* 32, 199–216.

Uriely, N., Yonai, Y. and Simchai, D. (2002) Backpacking experiences – a type and form analysis. *Annals of Tourism Research* 29, 520–538.

Urry, J. (1990) *The Tourist Gaze: Leisure and Travel in Contemporary Societies*. Sage, London.

Wickens, E. (2002) The sacred and the profane: a tourist typology. *Annals of Tourism Research* 29, 834–851.

Yoon, Y. and Uysal, M. (2005) An examination of the effects of motivation and satisfaction on destination loyalty: a structural mode. *Tourism Management* 26, 45–56.

Young, G. (1973). *Tourism, Blessing or Blight?* Penguin, Harmondsworth, UK.

4 Traveller Decision Making: The Experientialist Stance

Drew Martin, Ercan Sirakaya-Turk and Arch Woodside

————————————

Traveller Decision Making: The Never Ending Journey

Helmut and Helga are first-time visitors to Hawaii from Bonn, Germany. He is a professional scientist (PhD in physics) and she manages the home full time. Their three-week trip is split between the islands of Hawaii, Oahu, and Kauai. Many decisions regarding this couple's vacation seem fairly straightforward and unremarkable. They decided the Hawaiian Islands would be a wonderful second honeymoon destination. Since Germany is a long distance from Hawaii, they flew first class and stopped in California to rest for a few days. While on vacation, the couple stayed in three star hotels because they did not plan to spend much time in the room.

Like many tourism organizations, Hawaii's Department of Business, Economic Development and Tourism (2008) collects most of the information mentioned above. Aggregate visitor profiles, along with other crucial data regarding tourist travel behaviour are reported annually, but the underlying factors affecting the couple's decision-making process still evade the seasoned researcher. How did this couple make their vacation decision? What influenced their decision to visit Hawaii? Why did they not travel to comparable destinations such as Ibiza, the Canary Islands, or the Seychelles? Once they arrived, what affected their on-site decision making? Throughout the process, leisure travel behaviour is affected by many 'variables-in-context', such as prior experiences and external stimuli. Decades of positivistic research into consumer decision making using conventional research methods to gain an understanding of consumer's destination choice decisions via testing deductive theories are useful, but they fail to provide satisfactory answers to these questions. Decisions also continue throughout any trip, suggesting that consumer research's funnel metaphor does not capture a trip's complexity. Context influences and conscious and unconscious internal retrievals and processing are influences that affect at-site decision making and behaviour.

This chapter adopts an experientialist approach to theory and research to overcome the limitations of objectivism (i.e. only one reality is observable) and subjectivism (i.e. no one reality exists) (see Lakoff and Johnson, 1980). An experientialist stance 'offers a perspective from which both concerns can be met at once' (Lakoff and Johnson, 1980, p. 229). A grounded theory approach allows researchers to build and to revise propositional statements of relationships and observe people in specific use-contexts (see Glaser and Strauss, 1967; Decrop and Snelders, 2005). Questioning and observing tourists *in situ* allow researchers to construct theory

from data, and collecting data using McCracken's (1988) long interview method provides an effective method to gather rich, detailed data by asking at-site questions.

Given the messy and non-linear approach to collecting data with unstructured interviews, some structure is necessary to report the results. This chapter adapts the unstructured and semi-structured decision-making models of Mintzberg *et al.* (1976) and Woodside and MacDonald (1994) to explain travellers' decision-making processes. The resulting experientialist model shows how travellers break down complex decisions into manageable decision modules. A traveller's trip decision planning process is mappable using the resulting experientialist template. The rich data collected from Helmut and Helga's interview receives structuring so that tourism theorists and strategists learn both a priori trip antecedents to decisions and *in situ* contextual and gestalt influences.

In situ influences frequently include chains of context→unconscious-thinking→ behaviour→ streams of conscious-thinking. While gestalt thinking is a mix of unconscious and conscious processing, that is, configurations of System 1 and System 2 thinking, respectively (cf. Evans, 2003), one mode of thinking tends to dominate actions in a given context. High emotional intensity or extremely low emotional intensity in contexts increases the dominance of unconscious versus conscious thinking (cf. Wegner, 2002). 'Why did I do that?' and 'What did I do?' are self-examination issues representative of post-act in-context subjective personal introspections where the decision maker attempts to use System 2 thinking to interpret prior System 1-dominated actions. Building theory and examining *in situ* data focusing on System 1 thinking and configurations of System 1 and 2 thinking are unique contributions in this chapter.

The seminal work of Decrop and Snelders (2005) on the grounded typology of vacation decision making informs the present chapter's experiential stance. These authors develop a vacationer typology based on their decision-making styles (e.g. habitual, rational, hedonic, opportunistic, constrained and adaptable). Using such segmentation method

has obvious marketing benefits; however, the primary purpose of this chapter is to illustrate the development of such an approach to vacation decision making.

Decision-Making Processes

Scholars from a variety of disciplines have developed decision-making models that help to explain the tourist decision-making processes (Sirakaya and Woodside, 2005). These pioneering consumer behaviour models influence tourism research in decision making; however, these grand models of buyer behaviour were primarily created to examine durable goods purchases rather than services such as tourism (e.g. Nicosia, 1966; Engel *et al.*, 1968; Howard and Sheth, 1969). Gilbert's (1991) summary of these studies finds six commonalities:

- Consumer behaviour is a constant decision-making process.
- The individual consumer is emphasized.
- Behaviour is rational or utilitarian and can be explained.
- A buyer actively searches for, evaluates and stores information.
- Collected information is narrowed down to choose alternatives.
- Future purchases are affected by the final purchases.

This process adopts a rationality stance towards consumer choices. A decision maker identifies a future choice's likely consequences and chooses the best alternative that solves his/her problem or maximizes benefits. Consumer information processing steps require significant inputs from reference groups and symbolic stimuli (see Howard and Sheth, 1969). In the case of routine purchases or habitual purchases, some steps are skipped as a result of automaticity (called heuristics), making consumers' final decisions easier. Finally, the decision process can be disrupted at any point. For example, vacation plans are postponed when an automobile mechanic discovers that the family car needs a new transmission.

Some scholars suggest fundamental flaws in rational choice theory (e.g. Wegner, 2002;

Wilson, 2002). For example, rational choice theory assumes that all relevant information is available to decision makers and that consumers have the capacity to evaluate this information using rules. Also, present and future external stimuli do not influence a decision maker's alternatives and evaluation of goals. Decisions are less deliberate than rational choice theory proposes. For example, Zajonic (1980, p. 154) suggests that 'we can like something or be afraid of it before we know precisely what it is and perhaps even *without* knowing what it is'. Perhaps unconscious thought is a key process in decision making. Bargh (2002) further concludes that most decisions are influenced by unconscious thinking.

Alternatively, constructive choice theory applies information-processing short cuts to decision making rather than 'omniscient rationality' (see Bettman *et al.*, 1998). Constructive choice theory affirms the influence of subconscious information processing on decision making; however, the impact of subconscious thinking remains relatively unexplored. Choice-making strategies include cognitive processing of information, or involve limited information and explicit thought. The decision maker balances cognitive effort with choice accuracy. Choice alternatives also consider the desire to confront or avoid negative feelings created by the end result (see Oppenhuisen and Sikkel, 2003). Subconscious heuristic processing creates spontaneous choices rather than a calculated pursuit of goals or preferences.

The awareness of one's environment is the foundation of ecological systems theory. Knowledge about a person's environment helps in the understanding of individual choices and behaviours (see Raymore, 2002; Mathur and Moschis, 2005). This approach combines 'the interactions between the individual, other individuals, and the social structures of society to explain human development' (Raymore, 2002, pp. 41–42). How do people interact within the context of their lives? An individual's environmental constraints must be considered to fully understand human behaviour. Combining constructive choice theory with ecological systems theory, Allen's (2002) FLAG model

describes informants' lived experiences as 'causal historical waves'.

Modelling tourist decision making appears to be complex because both antecedents to the trip and at-site 'in-contexts' affect the process. Rational constraints and hedonic desires, as well as internal and external elements, affect decision makers. Decisions may be cognitive and require considerable planning and weighing of alternatives, or instinctive because they feel right. Leisure travel also involves continuous high-involvement purchase decisions, which makes the process dynamic. More internal and external variables affect the decision process once the traveller arrives.

The experiential stance includes the proposition that decision makers employ an array of decision-making models depending on variations of streams of System 1 thinking→prior-trip actions→System 2 thinking→at-site configurations of action and System 1 thinking→System 2 thinking. A one-size-fits-all decision model is unrealistic. Thus, modelling leisure-travel decision making requires a departure from the traditional consumer decision funnel because travel decisions and behaviour are dynamic – with streams that include feedback loops resulting in a never-ending process. Developing a parsimonious model for tourism choice decisions has strategic marketing implications.

Tourist Decision Dynamics

Interpretive researchers explicitly describe their own (etic) conclusions from emic (trip participants') explanations and conclusions that are found while collecting data in field settings. Generalized etic–emic propositions help interviewers to probe *in situ* influences with informants abductively. Abductive inferences permit reasoning from 'rule-and-result' to case (Holbrook and Grayson, 1986; Mick, 1986). For example, a Japanese family must decide between a 6 night stay on Hawaii's Big Island, or spending one-half of their vacation on Oahu. The wife previously visited both islands and she is animate that they spend the entire vacation on the Big Island.

She wants to be certain that her son has enough time to see volcanic lava flows and go star gazing. The husband and son have not been to the Hawaiian Islands and they want to see more than one island. The family reports moving from disagreeing to concurrence about routes to take before finalizing the trip plans (Martin, 2010), with System 1 and 2 streaming chains apparent in their at-site interview.

Previous studies about tourist purchase consumption systems show how unconscious thinking and ecological systems theory affect consumer decision making (Woodside and King, 2001; Woodside and Dubelaar, 2002; Woodside and Martin, 2008). Woodside and King (2001) provide policy and positioning decisions; however, in-depth reporting at the individual visit level is lacking. The bivariate-level analysis presented by Woodside and Dubelaar (2002) describes specific destination behaviours; however, complete decisions and flows at the individual level are not uncovered. The 'thick' descriptions given by Woodside *et al*. (2004), which were based on

long-interview studies, demonstrate complex destination behaviours and how these influence travellers' thoughts and actions; here, 'thick' expresses great detail in description and interpretation, and one source of the term is Geertz (1973). The results given by Woodside *et al*. (2004) suggest that the decision process begins before the actual trip decision and continues until the trip is completed. Figure 4.1 displays nine issues relevant to mapping travel decision and behaviour flows; these issues focus on destination choices, including the antecedents and consequences of decision implementation. Figure 4.1 also provides a template of the long-interview topics covered. This ethnographic methodology builds minimal structure to prevent the reviewer from surfacing explicitly her own tentative system of propositional relationships before entering the field. The arrows represent tentative propositions relevant to following the flow of the general questions. The following descriptions summarize each proposition.

Proposition 1 (P_1), (Box 1 to 2 in Fig. 4.1), proposes that demographic and lifestyle
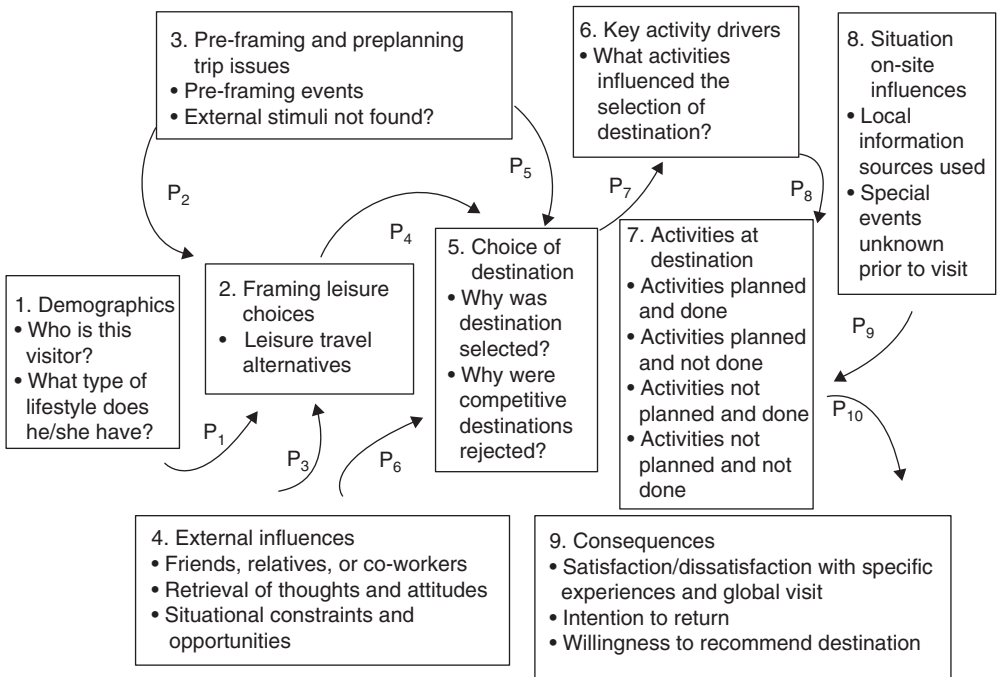
Fig. 4.1.   Theoretical map (Adapted from Woodside *et al*., 2004, and March and Woodside, 2005).

differences affect how visitors frame leisure choices (see Hsu *et al.*, 2007). This proposition recognizes that household-related variables interact with individual-related factors in the decision-making process (see Van Raaij and Francken, 1984). Proposition 2 (P_2) suggests that unexpected or unplanned events possibly affect leisure choice framing. A popular Korean television drama shown in Japan, for example, may trigger thoughts about visiting Korea. The television programme becomes a catalyst for collecting information, or affirms the need to visit the specific destination (Kim *et al.*, 2007). The television programme represents a necessary, but not a sufficient, motivation to visit Korea. Information is stored in the viewer's memory for future unconscious retrieval.

Proposition 3 (P_3) states external and internal personal influences affect leisure choice framing. After listening to their son talk about Hawaii's Big Island for 10 years, a New York couple book a trip to see what they are missing. In another case, many Japanese people consider Hawaii to be a traditional honeymoon destination. When a Japanese couple decided to get married, Hawaii became part of their evoked set of destination alternatives for the honeymoon (see Woodside and Martin, 2008). External stimuli sometimes serve as proxies for the specific destination, but their impact remains strong. Proposition 4 (P_4) posits features and possible benefits that help to frame leisure choices influencing choice of a destination. Woodside and Lysonski (1989) find the shift of long-term memory information to working memory potentially affecting trip decision making. For example, visiting a coffee plantation on Hawaii's Big Island tips the balance for a Japanese family choosing between visiting Oahu versus Hawaii's Big Island (Martin, 2010).

Proposition 5 (P_5) suggests that information collected while framing and planning a trip also affects the trip-selection process. Both conscious and unconscious memory retrieval result in either a cognitive decision or a gut-feeling decision. When unconscious memory retrieval occurs, informants lack reasons or explanations for the gut-feeling decisions. They simply report that 'It just felt right' (see Allen, 2002). Social forces also have

a strong impact on travel decisions, particularly reference groups, social class and culture (Moutinho, 1987). The purport of proposition 6 (P_6) is that social forces influence the selection or rejection of destination alternatives (see Hsu *et al.*, 2006).

Activity drivers include concrete plans and pre-trip actions (e.g. bookings) to visit a specific destination. Proposition 7 (P_7) proposes that these key activity drivers solidify the destination choice. Woodside and Martin (2008) suggest that activity drivers are a series of tipping points that must line up perfectly. A husband's 2-week window of time to travel results in a trip only if his wife's employer allows her to take a vacation at the same time *and* the couple can redeem their airline mileage award for one free aeroplane ticket. Everything must line up perfectly or this couple stays home.

Proposition 8 (P_8) proposes key activity drivers affect planned and accomplished activities at the destination. Proposition 8 starts the third phase of the visitor's unstructured decision-making process (March and Woodside, 2005; Martin, 2010). Proposition 9 (P_9) proposes that visitors interpret events and change plans while visiting. A family rents a standard car to go star gazing, but the steep mountain road requires an all-terrain vehicle. Returning to the hotel, the disappointed wife notices a travel brochure advertising a star-gazing tour (Martin and Woodside, 2008).

Finally, proposition 10 (P_{10}) concludes that visitor experiences resulting in specific outcomes are the antecedents to a good or bad trip (see Frazer, 1991). Positive prior purchase experiences trigger later purchases and recommendations to other people. Bigné *et al.* (2001) suggest that these perceptions and overall satisfaction are not perfect predictors of destination loyalty because peer-group influence also affects behaviour.

The Dynamic Modelling Theory of Travel Decision Making

Traveller decisions are complex and opportunistic in deviating from plans throughout the decision-making process – including at-site

contexts during the trip itself. The literature suggests that tourism decision making is a dynamic and unstructured process. To prevent being overwhelmed with decisions and alternatives, travellers typically split decisions into smaller and more familiar decisions. Subroutines for trip planning are created. For example, a trip is broken down into destination choice, transportation, lodging, key activities and contingency activities. These partitions are not too different from the process that organizations employ to make infrequently encountered decisions. The primary departure is that the leisure travel model that follows accounts for the conscious/unconscious dynamic and for personal factors influencing travel decisions.

The unstructured decision-making model of Mintzberg *et al.* (1976) maps a process that organizations may employ when encountering unfamiliar decisions. This model reduces decisions into three main phases: identification, development and selection. After phase identification, familiar central routines are enacted. These interchangeable, familiar routines are applied to reduce the decision's complexity. The Mintzberg *et al.* (1976) model requires more subroutines than travel planning because business and other organizations involve more stakeholder groups. Tourist decisions typically involve two or three key decision makers, so fewer subroutines are needed.

Figure 4.2 represents the leisure travel decision form of the Mintzberg *et al.* (1976) unstructured and the Woodside and MacDonald (1994) semi-structured decision-making models. The numbered activity boxes from Fig. 4.1 are included. Phase 1 represents the foundation for destination selection. This subroutine combines demographics, pre-framing based on conscious and unconscious memories, and external influences to create criteria to decide which destination to choose. Once criteria are decided, Phase 2 begins.

In Phase 2, key activity drivers (e.g. budget or time constraints) help to evaluate alternative destination choices. If the subroutine elements line up perfectly, the traveller books the trip. Phase 3 begins when the traveller begins the trip. When activity drivers do not line up perfectly, the traveller returns to the

first phase and the first subroutine is repeated. In a previous example, the husband and wife get time off for a vacation, but the frequent flier mileage cannot be redeemed during the 2-week window of time. If one of the tipping points is not met, the couple returns to the first phase of the process. Phase 3 occurs during the actual vacation. This phase is dynamic because additional stimuli create some opportunities and eliminate others. A lost piece of luggage in-transit prevents a honeymoon couple from dining at a fancy restaurant on their first night at a resort; however, they find a fantastic casual dining restaurant by accident.

Finally, Phase 4 is a self-reflection process. The evaluation of the trip affects the first phase of the next travel planning process. Experiences stored consciously and unconsciously help to frame criteria for the next trip. Surprisingly, these memories are not static. Zaltman (2003) concludes that memories are dynamic and that interpretations vary. Memories are likely to be stored as stories, and fragments are pieced together differently depending on the situation (see Shank, 1990). Memories also become external influences to the framing of trips by a reference group. Destination loyalty and traveller influence on reference group members are key ingredients to destination growth. Also, each trip decision is dynamic in each phase. For example, the needs of travellers change as they get older and their children grow up.

Drilling Down with Grounded Theory

Getting to the root of the key issues requires in-depth probing of traveller behaviour. Some tourism researchers recommend existential phenomenological (EP) methods (Pollio *et al.*, 1997) as powerful tools of inquiry and they question the reliance on a theory-before-data approach (e.g. Phillimore and Goodson, 2004; Hollinshead and Jamal, 2007). EP research methods emphasize the value of observing and probing informants while they are involved in planning/doing the action. Under these conditions, researchers' role can be a bricoleur – piecing together messy and
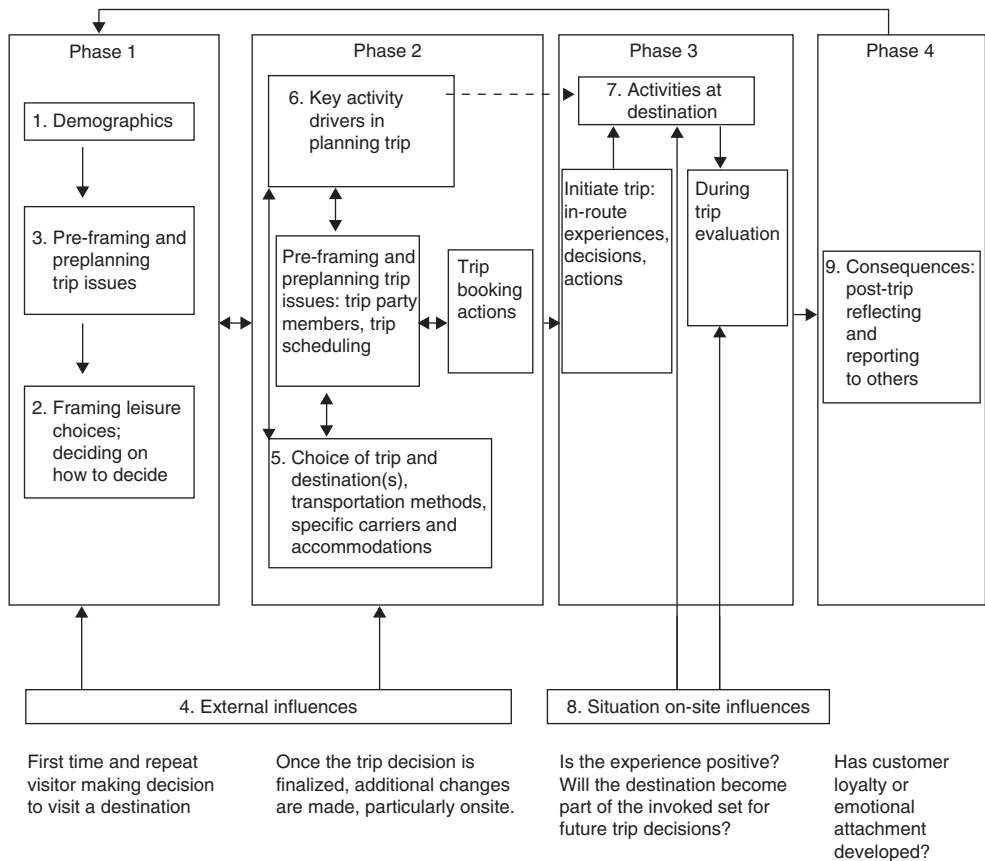
Fig. 4.2. Unstructured–structured process model for travel decision making (Adapted in part from Woodside and MacDonald, 1994).

non-linear data to create solutions to problems (see Denzin and Lincoln, 1998).

Grounded theory is a common EP approach for interpreting traveller experiences. Grounded theory development usually includes *in situ* observations and face-to-face informant questioning by the researcher. The researcher writes holistic thick descriptions from the encounter. These final descriptions include emic and etic interpretations of informants' lived experiences and plans. 'The emic viewpoint results from studying behavior as from [the participants' vantage points] inside the system' (Pike, 1967, p. 37). Visitors' emic statements provide insights on both travel motivation and behaviour (cf. Pike, 1967, 1990; Harris, 1976; Hutto, 2008).

Emic interpretations alone are unlikely to capture the essence of a larger social issue (see Harris, 1990). 'The etic viewpoint studies behavior from outside a particular system' and is vital to understand an alien system (Pike, 1967, p. 37). Etic reporting captures different insights on behaviour streams too (e.g. Arnould and Price, 1993; Belk and Costa, 1998). The analysis of etic and emic data provides researchers with a rich method for understanding the complexities and nuances of travel experiences (cf. Glaser and Strauss, 1967; Corbin and Strauss, 1990). Holistic thick descriptions provide gestalt or stereoscopic views of the integrated whole of tourists' interpretations of their actions before and during their trips (see Pike, 1967, p. 41; Hollinshead and Jamal, 2007).

Data Collection Methodology

McCracken's (1988) long interview method provides guidelines for collecting data. This method uses loosely structured questions and probing follow-up questions. For tourism research, the inquiries need to uncover the rationale behind the visitor's decision-making process, outcomes and feelings throughout the trip. Trained interviewers ask probing or follow-up questions when unexpected issues or experiences surface during the interview process (e.g. Hsu *et al.*, 2007). Interviewing *in situ* allows reflexivity in the analysis (see Hall, 2004). An ethnographic field study involves 60–90 minute *in situ* interviews. McCracken (1988) recommends at least five interviews, but the exact number is a bit subjective. Sufficient data are collected when the major themes continue to surface in the interviews.

Interviews should take place at locations and situations considered to provide the 'greatest opportunity to gather the most relevant data about the phenomena under investigation' (Strauss and Corbin, 1998, p. 208). Appropriate interview locations include the hotel's recreational areas, high-end tourist shopping malls and public recreational areas. Proper sample selection includes tourists whose similarities and differences can be maximized. Age group, gender, nationality and site activity are examples of variables for sample selection. Both first-time and repeat visitors can be interviewed, but it is best to try to interview first-time visitors at the end of their trips.

Prospective informants should be pre-screened with general questions about their visits and asked whether they would participate in an interview. For the Helmut and Helga interview, questions addressed: (i) demographic information; (ii) pre-trip planning and sources of information; (iii) activities and destinations – both planned and unplanned; (iv) issues surrounding flights, accommodation and ground transportation; and (v) overall impressions of the travel experience. To prevent the potential for myopic interpretation of the results, researchers not involved in the specific interviews should analyse and interpret the results.

Written, thick descriptions should be completed for each informant.

Helmut and Helga Uncovered

Helmut and Helga were interviewed poolside at their Big Island hotel located in downtown Kailua-Kona. The interview lasted 60 minutes and they participated equally. Figure 4.3 shows the leisure travel decision process for Helmut and Helga.

The couple have three children (17, 18 and 21 years old). This trip is the first time they felt confident that their children could manage without adult supervision. During the trip, the couple telephoned their children every day. As a safety precaution, Helmut and Helga purposely scheduled Oahu as the last leg of their journey in case they needed to return home early for an emergency.

Helmut spent at least 20 years thinking about this trip. As a scientist, he is fascinated by volcanoes. News stories about Hawaii's volcanoes over the years were stored consciously and unconsciously in his memory. Helmut became obsessed with visiting Hawaii to see lava flows. To make the trip possible, he saved more than 20 years of Delta frequent mileage points. The couple is economy minded, so a necessary trip condition was accumulating enough mileage awards for first class tickets. Further evidence of their frugal mind-set comes from their choice of two- and three-star accommodation during their trip. During the 20 year waiting period, the mileage accumulation is likely to have encouraged Helmut and Helga to explore other trip options (e.g. to enter Phase 2); however, no other enticing option lined up perfectly. The trip decision was put on hold until the mileage award was sufficient and the children were old enough. Once the necessary conditions were met, trip planning began.

For Helga, two additional trip conditions were necessary. First, they had to travel first class. The trip from Germany is long, and she wanted to arrive in a relaxed condition. A second key selling point was a stopover on the US mainland. While she was supportive of

1. Demographics
• Husband and wife
• Teenage children at home

6. Key activity drivers for Hawaii visit
• See lava and volcanoes

7. Key activities on Hawaii's Big Island
• Talked to children at home daily
• Saw lava tubes
• Snorkelling
• Visited church
• Hilo day trip

Pre-framing and pre-planning trip issues
• Trip needs to be 3 weeks to get over jet lag; cannot miss more work
• Wife insists on visiting the US mainland to see something else
• Target two- and three-star hotels to save money

3. Pre-framing and preplanning trip issues
• Are children old enough to be left alone?
• Saved Delta mileage awards over 20 years
• 'I could not afford the trip when I was younger, if not now, when?'

9. Consequences
• Worthwhile trip, but did not get to see lava flows
• 'Wife happy now (having visited Hawaii)'

Initiate trip
• San Diego stopover; 2 hour visit to Tijuana, Mexico

During trip evaluation
• Hotel– 'We got what we expected for 80 euros'
• Decided to relax and limit daily activities rather than see everything
• Rental car has broken signal light

Trip booking actions
• Online booking hotel and rental car
• Redeem Delta miles

2. Framing leisure choices
• Husband thinks (un)consciously about visit to 'South Seas paradise'
• No specific media influence; generally aware of Hawaii
• No sightseeing information search before visit
• Internet search for hotel and rental car options

5. Choice of destinations
• Trip included 3 night stopover in San Diego
• Hawaii: three nights on Kauai, four nights on Maui, four nights on the Big Island and five nights on Oahu
• 'End in Honolulu so we can get home fast if necessary'
• 'Volcano alone is the reason to come to the Big Island'
• Alternative: Thailand, but cannot travel alone

4. External influences
• General press news stories about volcanoes in Hawaii
• Bought travel guidebook after arriving
• Studied websites for hotel and car rental

8. Situation on-site influences
• Rough coasts; not many breakers
• Considered helicopter ride to see volcano but too expensive

Fig. 4.3. Helmut and Helga's unstructured process of travel decision making.

Helmut's dream, this compromise suggests that his wife was not as enthusiastic about seeing a volcano as her husband was. She had never been to the USA before. Also, Helga wanted to visit another country if possible. To appease Helga, Helmut booked a stopover in San Diego. He also promised a day trip to Mexico. Both car rentals and hotels were booked over the Internet to get the lowest prices possible.

Despite more than 20 years of dreaming about Hawaii, the couple spent no time gathering information about the destination. They did not read travel books or brochures about Hawaii before their arrival. Through media and movie images, Helmut had a

picture postcard image of Hawaii. He expected to see white sand beaches, palm trees and calm rolling waves everywhere. To Helmut's disappointment, many Hawaii Island coastlines are rough lava rock with little or no vegetation. Also, the ocean's strong undertow limits swimming for inexperienced tourists.

Surprisingly, Helmut did not get an opportunity to witness a lava flow – his primary reason for visiting Hawaii's Big Island. He rented a car thinking that they could drive to the lava flows and easily view them. Unfortunately, public ground access to the lava flows was closed for safety reasons. To see the lava, the best vantage point was a US$100 helicopter ride. Helmut decided not to charter a helicopter in order to save money. Given the time and discipline required to save for the trip to see a lava flow, his price sensitivity to the helicopter trip's cost is surprising.

Why did Helmut pass up this opportunity? Some researcher reflexivity is necessary here because the couple did not provide more information. Because the couple still had two more islands to visit, perhaps Helmut felt compelled to be financially conservative during this leg of the trip. Another plausible explanation is that Helga had not expressed a strong desire to see flowing lava, so Helmut may have felt guilty spending the money on himself or leaving her for several hours on their special trip. Evidence to support the latter explanation includes Helga's request that they both be present for the interview. Finally, the helicopter ride may not have been appealing. Helicopter rides often are turbulent and unpleasant experiences. Finally, local news stories about recent fatal helicopter tour crashes may have tipped the balance.

Helmut's lack of research and planning is surprising. He did not even look at a map carefully because he described Hawaii as being located in the South Pacific. Equally surprising was his unwillingness to charter the helicopter at US$100 to see the lava flows. The couple avoided shopping and tourist package options; instead, they preferred to have a relatively sedentary Big Island visit. The evidence suggests that Helmut and Helga will be unlikely to return in the future.

Explaining Tourism Behaviour

For Phase 1, memories, demographics, ecological factors and unconscious memories influenced Helmut and Helga's decision-making criteria. They could not take the trip until their children were old enough to manage for themselves. While Helmut waited, he kept reading news stories about volcanic eruptions in Hawaii and storing information in his conscious and unconscious memories. Also, filed away in Helmut's subconscious memory was imagery of white sand beaches and palm trees. The right time for the trip seemed to come when the Helmut had saved enough mileage points for two first class air tickets. Although the interview did not suggest that the children's ages or the mileage reward points were the tipping point, the daily telephone calls to Germany suggested that the couple would have been unlikely to have taken the trip a year earlier if they had accumulated enough mileage points for the trip. Perhaps waiting another year would have allowed them to enjoy the trip more? The daily international telephone is likely to have cost more than the helicopter ride to satisfy Helmut's dream. This couple is very budget conscious and their interview results suggest that a financial decision involves an evaluation of alternative uses for the money.

Phase 2 moves the decision to making actual plans. Key activity drivers would make or break the trip. Helmut's wife was not going to agree to the trip unless they stopped on the mainland USA for a few days. This once-in-a-lifetime trip needed to be more than a 30 hour aeroplane ride to see a lava flow. For Helga, a direct flight to Kona would have been a deal breaker. She also wanted to visit another country. Landing in San Diego, the couple visited Tijuana, Mexico for a couple of hours. Had they done some pre-trip planning, they might have chosen a different city from Tijuana to visit. Thailand was part of their evoked set of alternatives; however, this destination was not considered viable owing to potential difficulties in travelling within the country. Was the couple aware of the indiscriminate violence from Mexico's drug gangs? If this couple was risk adverse, they might have enjoyed a visit to a Canadian city more.

Like most travellers interviewed, this couple used the Internet to find the best prices for car rentals and accommodation. Surprisingly though, the Internet was not used much to collect information about destination activities. Most informants had one or two pre-planned activities, but nearly every tourist interviewed waited until they arrived to plan their itineraries.

Phase 3 is where travel behaviour departs from the traditional consumer decision-making funnel. At the trip destination, each travel party was exposed to unexpected occurrences and activities. Leisure activities fit into four quadrants: planned-done; planned-undone; unplanned-done; and unplanned-undone. Planned-done activities typically are key activity drivers. Visitors' destination choices are influenced by planned participation in these activities. Helmut did visit the Mauna Kea caldron, so he saw previous lava flows. Like most tourists, the couple did not engage in in-depth planning, so unplanned-done activities represented the largest share of their leisure time (see Fodness and Murray, 1999). Helmut and Helga spent more time around the hotel swimming pool than planned because the beaches were not to their liking. Planned-undone activities result from loss of interest, unexpected situational contingency, or a trade-off/replacement with a more desirable activity. Helmut's inability to see flowing lava must have been a disappointment. He did have the option of chartering a helicopter to see the lava, but the cost was too high for him. He thought the price was too high and so he ended up passing up an opportunity he had waited 20 years for. Finally, unplanned-undone activities are when an activity is a possibility; however, the visitor does not plan nor engage in the pursuit. Helmut seemed unaware that charter boat services routinely take visitors to see the lava flows into the ocean. This alternative would have been within his budget.

Finally, Phase 4 questions whether or not the visitor developed an attachment to the destination. Will the tourist became a repeat visitor? Helmut and Helga are unlikely to visit Hawaii again. They waited many years for the trip and travelled a great distance. Their comments suggest that one trip satisfied their interests in the destination. Other warm tropical locations are located much closer to where Helmut and Helga live. Given their age and interest in seeing other destinations, why travel halfway around the world to see the same thing?

Conclusions

This chapter demonstrates a thinking-action-thinking streaming approach for understanding the complex and extended decision making that takes place in leisure travel pre-trip, at-site and post-trip interpretations by travellers. It demonstrates a new application of the Mintzberg *et al.* (1976) unstructured and the Woodside and MacDonald (1994) semi-structured decision-making models to consumer decision making for high-involvement service purchases.

Trip planning involves many steps and includes many variables. The unstructured decision model allows the decision maker to break down the decisions into manageable feedback loops. Once the feedback loops within the phase are completed successfully, the process moves to the next phase. Missing elements result in developing new scenarios, or returning to a previous phase – sometimes for years.

Long interviews consider the importance of conscious and unconscious thinking in travel decisions. The example suggests that measuring the effectiveness of promotional tools is difficult with empirical positivistic research methods. Helmut thought about Hawaii for more than 20 years before booking the trip. Standardized questions cannot capture these long-term planning elements, particularly when information is filed away subconsciously. Long interviews drill down to uncover motivations and to help explain why people act – even when they are not sure themselves.

One surprise is how little pre-trip planning is done possibly by most visitors. The unstructured model is superior to the funnel approach because trip planning is dynamic. Services typically are produced and consumed simultaneously, and the unstructured model accounts for the decisions that take

place on site (consciously and unconsciously). Often travel decisions are made based on learning about new activities, or perhaps a change in heart about an activity (e.g. chartering a helicopter to see a lava flow) because the conditions are not right. On-site adjustments are likely to involve a quick evaluation of the trade-offs with little or no cognitive thought. Unconscious thought is important for making these quick decisions because they feel right.

In situ interviews allow researchers to observe external influences on tourists' decisions. Live interviews allow interviewers to pick up non-verbal clues from the informant. Also, being on site helps to interpret the comments because the interviewer sees what the tourist is experiencing. For example, sunshine versus rain is likely to affect the mood of the informant. Additional surprises also surface when *in situ*. Waiting to interview tourists, one interviewer was shocked by the tour guide's presentation to visitors. This Kona-based hotel offers a tour to east Hawaii to see the Volcanoes National Park, but the trip takes one entire day. Owing to the distance and time required to see the park, little

time is left to explore Hilo and the surrounding area. Should tourists choose to spend the night in Hilo, the west Hawaii resorts would lose revenues. The guide made a compelling case that spending the night in Hilo was a waste of time because there is nothing to do in Hilo. Either the guide was unaware of the world class Imiloa Astronomy Center and Lyman Museum, an affiliate of the Smithsonian Institution, or his motive was to keep visitors on the west side of the island for their entertainment, shopping and eating.

Case study research methods are sometimes criticized because the findings are difficult to generalize to a broad population. However, achieving replication using theoretical sampling of a few cases (five to ten) of narrowly defined population segments helps to overcome such criticism and provides the opportunity to construct Boolean-algebra based predictive models (see Woodside, 2010). Case study research offers deep insights that may be exceptionally useful predictors of consumer behaviour, and data from them support the view that a rich and holistic understanding of the tourist behaviour is possible.

References

Allen, D.E. (2002) Toward a theory of consumer choice as socio-historically shaped practical experience: the fits-like-a-glove (FLAG) framework. *Journal of Consumer Research* 28, 515–532.

Arnould, E.J. and Price, L.L. (1993) River magic: extraordinary experience and extended service encounter. *Journal of Consumer Research* 20, 207–245.

Bargh, J.A. (2002) Losing consciousness: automatic influences on consumer judgment, behavior, and motivation. *Journal of Consumer Research* 29, 280–285.

Becker, H.S. (1998) *Tricks of the Trade*. University of Chicago Press, Chicago, Illinois.

Belk, R.W. and Costa, J.A. (1998) The mountain man myth: a contemporary consuming fantasy. *Journal of Consumer Research* 25, 218–240.

Bettman, J.R., Luce, M.F. and Payne, J.W. (1998) Constructive consumer choice processes. *Journal of Consumer Research* 25, 187–217.

Bigné, J.E., Sánchez, M.I. and Sánchez, J. (2001) Tourism image, evaluation variables and after purchase behaviour: inter-relationship. *Tourism Management* 22, 607–616.

Corbin, J. and Strauss, A. (1990) Grounded theory research: procedures, canons, and evaluative criteria. *Qualitative Sociology* 13, 3–21.

Decrop, A. and Snelders, D. (2005) A grounded typology of vacation decision-making. *Tourism Management* 26, 121–132.

Denzin, N.K. and Lincoln, Y.S. (1998) *The Landscape of Qualitative Research: Theories and Issues.* Sage, Thousand Oaks, California.

Engel, J.F., Kollat, D.J. and Blackwell, R.D. (1968) *Consumer Behavior.* Holt, Rinehart, and Winston, New York.

Evans, J.S.B.T. (2003) In two minds: dual-process accounts of reasoning. *TRENDS in Cognitive Sciences* 7, 454–458.

Fodness, D. and Murray, B. (1999) A model of tourism information search behavior. *Journal of Travel Research* 37, 220–230.

Frazer, K. (1991) *Bad Trips*. Doubleday, New York.

Geertz, C. (1973) Thick description: toward an interpretive theory of culture. In: Geertz, C. *The Interpretation of Cultures: Selected Essays*. Basic Books, New York, pp. 3–30.

Gilbert, D.C. (1991) Consumer behavior in tourism. In: Cooper, C.P. (ed.) *Progress in Tourism, Recreation and Hospitality Management.* Belhaven Press, Lymington, UK, pp. 78–105.

Glaser, B.G. and Strauss, A.L. (1967) *The Discovery of Grounded Theory*. Aldine de Gruyter, New York.

Hall. M. (2004) Reflexivity and tourism research. In: Phillimore, J. and Goodson, L. (eds) *Qualitative Research in Tourism: Ontologies, Epistemologies and Methodologies.* Routledge, New York, pp. 135–155.

Harris, M. (1976) History and significance of the emic/etic distinction. *Annual Review of Anthropology* 5, 329–350.

Harris, M. (1990) Emics and etics revisited. In: Headland, T.N., Pike, K.L. and Harris, M. (eds) *Emics and Etics: The Insider/Outsider Debate*. Sage Publications, Newbury Park, California, pp. 48–61.

Hawaii Department of Business, Economic Development and Tourism (Hawaii DBEDT) (2008) *2007 Annual Visitor Research Report.* Available at: http://hawaii.gov/dbedt/info/visitor-stats/visitor-research/2007-annual-research.pdf (accessed 10 March 2011).

Holbrook, M.B. and Grayson, M.W. (1986) The semiology of cinematic consumption: symbolic consumer behavior in Out of Africa. *Journal of Consumer Research* 13, 374–381.

Hollinshead, K. and Jamal, T.B. (2007) Tourism and 'the third ear': further prospects for qualitative inquiry. *Tourism Analysis,* 12(1/2), 85–129.

Howard, J.A. and Sheth, J.N. (1969) *The Theory of Buyer Behavior*. Wiley, New York.

Hsu, C.H.C., Kang, S.K. and Lam, T. (2006) Reference group influences among Chinese travelers. *Journal of Travel Research* 44, 474–484.

Hsu, C.H.C., Cai, L.A. and Wong, K.K.F. (2007) A model of senior tourism and motivations – anecdotes from Beijing and Shanghai. *Tourism Management* 28, 1262–1273.

Hutto, D.D. (2008) *Folk Psychological Narratives: The Sociocultural Basis of Understanding Reasons.* Bradford Book of MIT Press, Cambridge, Massachusetts.

Kim, S.S., Agrusa, J., Lee, H. and Chon, K. (2007) Effects of Korean television dramas on the flow of Japanese tourists. *Tourism Management* 28, 1340–1353.

Lakoff, G. and Johnson, M. (1980) *Metaphors We Live By*. University of Chicago Press, Chicago, Illinois.

March, R. and Woodside, A.G. (2005) Comparing consumers' plans and actual behavior. *Annals of Tourism Research* 32, 904–924.

Martin, D. (2010) Uncovering unconscious memories and myths for understanding international tourism behavior. *Journal of Business Research* 63, 372–383.

Martin, D. and Woodside, A.G. (2008) Grounded theory of international tourism behavior. *Journal of Travel and Tourism Marketing* 24, 245–258.

Mathur, A. and Moschis, G.P. (2005) Antecedents of cognitive age: a replication and extension. *Psychology and Marketing* 22, 969–994.

McCracken, G. (1988) *The Long Interview.* Sage Publications, Newbury Park, California.

Mick, D.C. (1986) Consumer research and semiotics: exploring the morphology of signs, symbols, and significance. *Journal of Consumer Research* 13, 196–213.

Mintzberg, H., Raisinghani, D. and Théorêt, A. (1976) The structure of 'unstructured' decision processes. *Administrative Science Quarterly* 21, 246–275.

Moutinho, L. (1987) Consumer behavior in tourism. *European Journal of Marketing* 21, 3–44.

Nicosia, F.M. (1966) *Consumer Decision Process: Marketing and Advertising Implications.* Prentice Hall, Englewood Cliffs, New Jersey.

Oppenhuisen, J. and Sikkel, D. (2003) A values inventory: methods, results, and marketing applications. *Journal of Customer Behavior* 2, 55–73.

Phillimore, J. and Goodson, L. (eds) (2004) *Qualitative Research in Tourism: Ontologies, Epistemologies and Methodologies.* Routledge, New York.

Pike, K.L. (1967) *Language in Relation to a Unified Theory of the Structure of Human Behavior*, 2nd edn. Mouton, The Hague, The Netherlands.

Pike, K.L. (1990) On the emics and etics of Pike and Harris. In: Headland, T.N., Pike, K.L. and Harris, M. (eds) *Emics and Etics: The Insider/Outsider Debate*. Sage Publications, Newbury Park, California, pp. 29–47.

Pollio, H.R., Henley, T. and Thompson, C.B. (1997) *The Phenomenology of Everyday Life*. Cambridge University Press, Cambridge, UK.

Raymore, L.A. (2002) Facilitators to leisure. *Journal of Leisure Research* 34, 37–51.

Schank, R. (1990) *Tell Me a Story: A New Look at Real and Artificial Memory*. Charles Scribner's Sons, New York.

Sirakaya, E. and Woodside, A.G. (2004) Building and testing theories of decision makers by travellers. *Tourism Management* 26, 815–832.

Strauss, A. and Corbin, J. (1998) *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory,* 2nd edn. Sage Publications, Thousand Oaks, California.

Van Raaij, F.W. and Francken, D.A. (1984) Vacation decisions, activities and satisfactions. *Annals of Tourism Research* 11, 101–112.

Wegner, D.M. (2002) *The Illusion of Conscious Will.* Bradford Books, MIT Press, Cambridge, Massachusetts.

Wilson, T.D. (2002) *Strangers to Ourselves: Discovering the Adaptive Unconscious.* Harvard University Press, Cambridge, Massachusetts.

Woodside, A.G. (2006) Overcoming the illusion of will and self-fabrication: going beyond naïve subjective personal introspection to an unconscious/conscious theory of behavior explanation. *Psychology and Marketing* 23, 257–272.

Woodside, A.G. (2010) *Case Study Research: Theory, Methods and Practice.* Emerald, London.

Woodside, A.G., and Dubelaar, C. (2002) A general theory of tourism consumption systems: theory and empirical research. *Journal of Travel Research* 41, 120–132.

Woodside, A.G. and King, R. (2001) Tourism consumption systems: theory and empirical research. *Journal of Travel and Tourism Research* 10, 3–27.

Woodside, A.G. and Lysonski, S. (1989) A general model of traveler destination choice. *Journal of Travel Research* 27, 8–14.

Woodside, A.G. and MacDonald, R. (1994) General system framework of customer choice processes for tourism services. In: Gasser, R.V. and Weiermair, K.W. (eds) *Spoilt for Choice: Decision Making Processes and Preference Changes of Tourists – Intertemporal and Intercountry Perspectives*. Kulturverlag, Thaur, Germany, pp. 30–59.

Woodside, A G. and Martin, D. (2008) Applying ecological systems and micro-tipping point theory for understanding tourists 'leisure destination behaviour'. *Journal of Travel Research* 41, 14–24.

Woodside, A.G., MacDonald, R. and Burford, M. (2004) Grounded theory of leisure travel. *Journal of Travel and Tourism Marketing* 17, 7–39.

Zajonic, R.B. (1980) Feeling and thinking: preferences need no inferences. *American Psychologist* 35, 151–175.

Zaltman, G. (2003) *How Customers Think*. Harvard Business School Press, Boston, Massachusetts.

5 Destination Information Search Strategies

Dogan Gursoy

_____

Introduction

There is no doubt that the search for information is one of the most important steps in consumers' decision-making processes because it represents the primary stage at which marketers can provide information and influence consumers' decisions (Schmidt and Spreng, 1996; Gursoy, 2001). Therefore, understanding information search behaviour and the information search strategy utilization of consumers is crucial for developing and designing effective marketing communication strategies and campaigns. Application of basic market segmentation techniques, using consumers' information source utilization patterns as either a segmentation base or a descriptor, may enable marketers to develop focused positioning and media selection strategies. Certainly, understanding consumers' information source utilization strategies can help marketers to effectively tailor their promotional mix of offerings. So it is not surprising that consumer information searching has been one of the most examined subjects in consumer research (Beatty and Smith, 1987; Schmidt and Spreng, 1996). Copeland (1923) was one of the first researchers who examined consumer's pre-purchase information-seeking behaviour. Since then, almost all consumer information processing and decision-making models include pre-purchase information

search as one of the key components (e.g. Howard and Sheth, 1969; Bettman, 1979; Olshavsky, 1985; Bettman *et al.*, 1991; Engel *et al.*, 1993; Schmidt and Spreng, 1996).

As for any other consumer products, understanding travellers' information-search behaviour is critical for strategy development and service delivery. Information search or information acquisition is one of the first steps in the vacation decision-making process. It also affects on-site decisions such as selecting accommodation, transportation, activities and tours (Jenkins, 1978; Filiatrault and Ritchie, 1980; Perdue, 1985; Snepenger *et al.*, 1990; Fodness and Murray, 1998; Gursoy and Chen, 2000; Chen and Gursoy, 2001). The emergence of a large number and variety of travel destinations has increased the importance of understanding travellers' information-search behaviour and the strategies utilized by travellers to gather information. Therefore, as in the consumer behaviour and marketing fields, conceptual and empirical examinations of tourist information search behaviour have a long tradition in the tourism marketing literature (Woodside and Ronkainen, 1980; Schul and Crompton, 1983; Etzel and Wahlers, 1985; Perdue, 1985, 1993; Snepenger and Snepenger, 1993; Fodness and Murray, 1997, 1998, 1999; Vogt and Fesenmaier, 1998).

Studies suggest that because of the nature of the tourism products, travellers'

information search behaviour and the strategies utilized to gather information are likely to be significantly different from the information search behaviour of consumers who purchase durable products. Most hospitality and tourism products are purchased, consumed and evaluated in the form of services such as vacation trips. The production, consumption and evaluation of services tend to differ from those of durable products (Zeithaml *et al.*, 1990). Therefore, the way that travellers search for information and the importance that they place on it is likely to be significantly different from the way consumers search for information to purchase durable goods and the importance they place on this. First, services are mostly intangible. That is, they are not physical objects; rather, they are performances and experiences. Secondly, they are heterogeneous. In other words, they differ substantially from producer to producer. Thirdly, they are inseparable. In some instances, purchase and consumption of services occur at the same time. So the purchase process of tourism products is likely to be different from the purchase process of durable goods. For example, the consumer, in reality, purchases and consumes most services at different locations from where s/he lives (Sirakaya *et al.*, 1996). The decision-making process used to purchase the tourism product also takes much longer than for many other products, such as a television set. In addition, most of the time, the consumer does not get any tangible return for his/her investment, except maybe souvenirs and a receipt. Furthermore, the consumer deals with a high perceived risk because of high personal investment of time, effort and money (Teare, 1992). Consequently, the consumer is likely to be more involved in the information search for tourism product purchases than for many other product purchases. Consumers are likely to plan purchase of tourism products through savings over a longer time period than for many other product purchases (Moutinho, 1987) owing to the high perceived risk involved in the purchase. All of these factors are likely to influence the information search strategies utilized by travellers and the importance that they place on each information source.

The degree and direction of pre-purchase external information search is directly related to the type of product that consumers intend to purchase. Consumers tend to engage in more searching when purchasing higher priced, more visible and more complex products, such as travel to unknown destinations, which intrinsically create greater perceived risk (Beatty and Smith, 1987). Research indicates that travellers to international and unknown destinations are more likely to utilize external information searching than travellers to domestic or known destinations (Woodside and Ronkainen, 1980; Snepenger *et al.*, 1990; Snepenger and Snepenger, 1993; Fodness and Murray, 1998; Chen and Gursoy, 2001).

Information Search Strategies Utilized by Travellers

As for many consumer product decisions, information acquisition is necessary for selecting a destination and for on-site decisions such as selecting accommodation, transportation, activities and tours (Jenkins 1978; Filiatrault and Ritchie 1980; Perdue 1985; Snepenger *et al.*, 1990; Fodness and Murray, 1998; Gursoy and Chen, 2000; Chen and Gursoy, 2001). Information search can be defined as 'the motivated activation of knowledge stored in memory or acquisition of information from the environment' (Engel *et al.*, 1995). As the definition suggests, information search can be either internal or external. Internal search is based on the retrieval of knowledge from memory. In contrast, external search consists of collecting information from the marketplace (Engel *et al.*, 1995).

Whenever travellers realize that they need to make a decision, they are likely to employ a series of information search strategies. An information search strategy refers to the combination of information sources utilized by a traveller when planning travel. Initial information search is likely to almost always take place internally, such as when previous experiences and knowledge are used as the basis for planning a repeat visit (Fodness and Murray, 1997; Vogt and

Fesenmaier, 1998; Gursoy and Chen, 2000). Internal sources include personal experiences, either with the specific destination or with a similar destination, and the knowledge accumulated through an ongoing information search (Schul and Crompton, 1983; Fodness and Murray, 1997; Vogt and Fesenmaier, 1998; Gursoy, 2003). When the internal information search proves inadequate, travellers are likely to gather additional information from external sources. In the case of most travel decisions, the search is predominantly external, involving considerable effort and a variety of information sources (Schul and Crompton, 1983; Raitz and Dakhil, 1989; Fodness and Murray, 1997).

Earlier information search literature has conceptualized external information search in terms of degree (Schul and Crompton, 1983; Fodness and Murray, 1997) and direction (Snepenger *et al.*, 1990; Fodness and Murray, 1997). Degree of external information search refers to the number of sources used and the amount of time devoted to the search (Fodness and Murray, 1997; Gursoy, 2001). Direction of search refers to the specific external information sources utilized (Fodness and Murray, 1997). Studies suggest that travellers tend to use four broad external information sources when planning their trips. These are: (i) family and friends; (ii) destination specific literature; (iii) the media; and (iv) travel consultants (Woodside and Ronkainen, 1980; Snepenger and Snepenger, 1993). However, other studies suggest that even though travellers utilize those four groups of external information sources, the groups can be grouped into two categories or dimensions: destination-specific external information sources and personal external information sources – which include family and friends, media and travel consultants (Gursoy, 2001).

Studies have also suggested that consultation with friends and relatives is perhaps the most often cited source of information used by tourists (Nolan, 1976; Gitelson and Crompton, 1983). Other sources frequently used are destination-specific literature (such as guidebooks, government or state publications, and travel brochures) and consultants (such as travel agents and auto clubs) (Nolan 1976; Gitelson and Crompton, 1983). A study

of search strategies utilized by Swiss travellers revealed that they are more likely to utilize informal sources (friends and relatives), direct sources (destination information sources plus friends and relatives) and professional sources (travel agents plus tour operators) (Bieger and Laesser, 2004). Recent studies suggest that the Internet has become a key source of information for many tourists (Tjøstheim and Tronvoll, 2002; Cai *et al.*, 2004).

Studies also suggest that travellers may utilize any of these external information sources for pre-purchase information search or ongoing information search. Pre-purchase information search can be defined as the external information search that is driven by an upcoming purchase decision, whereas ongoing information search can be defined as the acquisition of external information regardless of sporadic purchase needs (Bloch *et al.*, 1986); these authors suggested that pre-purchase search is influenced by involvement in the purchase, while ongoing search is influenced by involvement with the product.

An examination of common information search strategies utilized by a group of destination-naïve international travellers to New Zealand revealed that travellers to that country utilize one of six search strategies (Hyde, 2006). Those search strategies include: a low search strategy; four moderate search strategies – 'guidebook brochure agent', 'guidebook friends', 'friends' and 'net guidebook'; and a high search strategy – 'friends net'. Results further revealed that of the six alternative information sources examined in the study – travel guidebooks, friends and relatives, and the Internet, were utilized by the greatest number of respondents during their vacation. When asked to rate how important each information source they had used had been for specific travel planning tasks, respondents rated travel agents and the Internet as being more useful than other sources for information on air fares. No one source was rated significantly more useful than any other for information on transportation at the destination. The Internet and travel guidebooks were rated significantly more useful than other sources for information on accommodation at the destination. Travel guidebooks and friends and relatives were rated

significantly more useful than other sources for information on where to go and what to see and do at the destination (Hyde, 2006).

Factors Affecting Information Search Strategies Used by Travellers

The marketing and consumer behaviour literature suggests that the type of information search strategy used by consumers is likely to be influenced by at least one of three major theoretical approaches (Srinivasan, 1990; Schmidt and Spreng, 1996; Gursoy, 2001; Gursoy and McCleary, 2004a). The first is the psychological/motivational approach, which suggests that a combination of individual, product class and task-related variables such as beliefs and attitudes and involvement are likely to determine search strategy utilization (Beatty and Smith, 1987). The second is the economics approach, which uses the cost–benefit framework and the economics of information theory (Stigler, 1961) to examine information search strategy utilization (e.g. Avery, 1996). The third approach is the consumer information processing approach, which suggests that consumers' memory and cognitive information processing capabilities are likely to influence search strategy utilization (e.g. Johnson and Russo, 1984; Coupey et al., 1998). Like the consumer behaviour and marketing fields, conceptual and empirical examinations of information search behaviour have a long tradition in the hospitality and tourism literature (e.g. Woodside and Ronkainen, 1980; Schul and Crompton, 1983; Etzel and Wahlers, 1985; Perdue, 1985; Raitz and Dakhil, 1989; Snepenger and Snepenger, 1993; Fodness and Murray, 1997, 1998, 1999; Gursoy, 2001, 2003; Gursoy and McCleary, 2004a,b). Past research has identified a large number of factors that are likely to influence travellers' information search strategies. Previous studies in the area have focused on developing typologies of consumer information search strategies, using nearly 60 variables that are likely to influence external search strategies (Srinivasan and Ratchford, 1991). As noted by Schmidt and Spreng (1996), these typologies included several

aspects of the environment (e.g. difficulty of the choice task, number of alternatives, complexity of the alternatives), situational variables (e.g. previous satisfaction, time constraints, perceived risk, composition of travelling party), consumer characteristics (e.g. education, prior product knowledge, involvement, family life cycle, socio-economic status) (Gursoy, 2001, 2003; Gursoy and McCleary, 2004a,b) and product characteristics (e.g. purpose of the trip, mode of travel) (Fodness and Murray, 1998, 1999).

Most studies of travellers' information search behaviour followed one of the two most influential theoretical frameworks proposed to enhance the understanding of tourists' information search behaviour (Gursoy, 2001, 2003). The first theoretical framework, the 'strategic' model, was proposed by Snepenger et al. (1990) and defines information search strategies as the combination of information sources used, e.g. the sources used by a travel party to plan trips. The second theoretical framework, the 'contingency' model, defines information search in terms of individual characteristics, effort, the number of sources used, situational influences, product characteristics and search outcomes (Schul and Crompton, 1983; Fodness and Murray, 1999; Gursoy, 2001, 2003).

As regards the strategic model, several studies have examined the information search strategies utilized by travellers, and, as noted in the previous section, the findings of these studies suggested that travellers tend to use four broad external information sources when planning their trips: (i) family and friends; (ii) destination-specific literature; (iii) the media; and (iv) travel consultants (Woodside and Ronkainen, 1980; Snepenger and Snepenger, 1993). However, much of the work that has operationalized information search using the strategic model has considered only those travellers who used a single, specific source, such as travel agents, to plan their trips (Gitelson and Purdue, 1987; Howard and Gitelson, 1989; Kendall and Booms, 1989; Fodness and Murray, 1997). The previous study findings indicate the strategic model deals with the influence of the sociodemographic characteristics of travellers and their utilization of available external information sources

(Snepenger *et al.*, 1990). The main focus of the strategic model is the number and combination of information sources utilized by travellers, but it does not help us to understand why travellers utilize those particular external information sources and ignore others. The strategic model is not concerned with the factors (except for sociodemographics) that may affect the traveller's utilization of available external information sources. Some studies have attempted to differentiate travellers who utilized different external information sources, although the differentiation was only based on sociodemographics (Woodside and Ronkainen, 1980; Gitelson and Perdue, 1987; Howard and Gitelson, 1989; Kendall and Booms, 1989; Snepenger *et al.* 1990).

Unlike the strategic model, the contingency model examines the impact of individual characteristics on travellers' information search strategy utilization: characteristics such as travel-specific lifestyles, effort – e.g. the amount of time spent, previous trip experiences, situational influences, product characteristics and expected search outcomes (Schul and Crompton, 1983; Gursoy, 2001, 2003). In the contingency model, Schul and Crompton (1983) proposed that travel-specific lifestyles and individual differences are better predictors of the selection of search strategies by travellers than are sociodemographic variables. They operationalized travel-specific lifestyle by factor-analysing 16 psychographic variables. Their findings supported their proposition that an individual's travel-specific lifestyle (psychographics) explains the traveller's search strategy selection better than do demographic differences. The contingency model was later expanded by Fodness and Murray (1999) to include situational factors and product characteristics. These authors examined the influence of situational factors, product characteristics, tourist characteristics, and search outcomes on external information search behaviour. They identified the type of decision making (routine, limited or extended) and the composition of the travel party as situational influences. Product characteristics included purpose of trip and mode of travel. Tourist characteristics were identified as family life cycle and socio-economic status. Search outcomes were

measured as length of stay, number of destinations visited, number of attractions visited and travel-related expenditures. The results obtained by Fodness and Murray (1999) converged to support the contingency model and its underlying proposition that tourist information search strategies are the result of a dynamic process in which travellers use various types and amounts of information sources to respond to internal and external contingencies.

The strategic and the contingency models have certain similarities and differences. Both models examine the influence of the composition of travel party, prior visits to the destination and the degree of familiarity associated with the destination on external information search behaviour. However, the contingency model examines several other factors that are likely to influence the information search behaviour of travellers. Even though the contingency model seems superior to the strategic model for understanding travellers' information search strategy selection, it has several shortcomings, such as the unclear definition of prior product knowledge and ignorance of motivational and psychological factors. The contingency model assumes that travellers who are familiar with and/or are experts on the destination will approach a product decision through a routine or limited problem-solving process and that they are not likely to search for additional information; their travel decisions are likely to be based on their internal search (Fodness and Murray, 1999). In addition, in the contingency model, prior product knowledge and expertise are measured by a single indicator: previous visits to a destination, although review of the consumer behaviour literature suggests that prior product knowledge is not a unidimensional construct (Gursoy and McCleary, 2004a,b). Alba and Hutchinson (1987) propose that prior knowledge has two major components, familiarity and expertise, and cannot be measured with a single indicator. Contrary to the conclusions of Fodness and Murray (1999), the consumer behaviour literature also suggests that prior product knowledge may influence selective search behaviour and the depth of analysis (Alba and Huchinson, 1987; Gursoy, 2001, 2003).

Knowledgeable consumers are more likely to search for new information before making a decision because they are better equipped to understand the meaning of product information than novices (Duncan and Olshavsky, 1982; Punj and Staelin, 1983; Johnson and Russo, 1984; Alba and Hutchinson, 1987; Gursoy and McCleary, 2004a,b). In addition, knowledgeable consumers are likely to focus on particular product attributes simply because they are aware of the existence of those attributes (Brucks, 1985). In contrast, novice consumers may have a hard time comprehending and evaluating product-related information because of their inferior ability to comprehend and evaluate the product-related facts (Anderson and Jolson, 1980; Gursoy, 2001). Because of their limited ability to process the product-related information, novices are more likely to sample the opinions of others (Furse *et al.*, 1984; Brucks, 1985; Gursoy, 2003; Gursoy and McCleary, 2004a,b). The contingency model also ignores the motivational factors that are likely to influence travellers' information search behaviour. The direction and intensity of all consumers' actions are affected by the motivations of individuals, because the function of an individual's motives is to protect, satisfy and enhance him/her (Kassarjian and Robertson, 1968). Consumers acquire information as a strategy to reduce certain risks regarding the outcome of an action, so as to protect themselves and maximize their satisfaction (Urbany *et al.*, 1989; Murray, 1991; Gursoy, 2003). Therefore, the traveller's motivations are suspected to influence the intensity and direction of his/her external information search behaviour.

Recently, Gursoy (2001) and Gursoy and McCleary (2004a) proposed a new theoretical framework that integrates all three theoretical approaches on consumer information search (i.e. psychological/motivational, economic and information processing) and the two theoretical frameworks of travellers' information search behaviour already discussed (strategic and contingency) as complementary approaches. Based on this new theoretical framework, Gursoy (2001) and Gursoy and McCleary (2004a) proposed a comprehensive model of travellers' information search behaviour. The proposed model mainly focused on the pre-purchase information search behaviour of travellers. Pre-purchase information search represents the functional approach to explaining the nature of information sought and is defined as information search activities that are related to a recognized and immediate purchase intention.

Studies suggest that perceived cost of information search plays a significant role in determining the length and the extent of external information search conducted by travellers (Vogt and Fesenmaier, 1998; Gursoy, 2001; Gursoy and McCleary, 2004a). Travellers tend to keep searching for information as long as they believe that the benefits of acquiring information outweigh the cost of information search, as indicated in 'the economics of information' theory (Stigler, 1961). In the new comprehensive model of travellers' information search behaviour, the cost of external information search represents the financial and time costs of external search activity while the cost of internal search represents the cognitive effort required and the expected outcome of the internal search. The model suggests that an increase in the cost of external information search is likely to result in a decrease in the level of external search activity, and that an increase in the cost of internal information search is likely to result in a decrease in the internal search activity. The model also suggests that the costs of both the external and internal information search are likely to moderate the effects of a traveller's familiarity and expertise, which represent a traveller's prior knowledge; here, the familiarity dimension of prior knowledge represents the subjective knowledge of travellers and the expertise dimension represents a traveller's objective knowledge. Studies suggest that an increase in familiarity is likely to decrease the cost of the internal search and increase the cost of the external search, while an increase in expertise is likely to decrease the costs of both the external and internal information search (Gursoy and McCleary, 2004a). Studies also suggest that travellers' familiarity and expertise are likely to be influenced by previous visits to the destination, and involvement and learning.

The comprehensive model of travellers' information search behaviour also proposes that a traveller who is high in involvement is likely to utilize both external and internal information searching. Travellers' involvement is also proposed to have a positive effect on familiarity and expertise owing to the fact that if travellers are high in involvement they are likely to have more familiarity with the product and are more likely to remember product information, develop better category structures, analyse the information in more detail, elaborate on it and make automatic decisions (Gursoy and Gavcar, 2003). Travellers' involvement is also proposed to positively influence intentional learning. If travellers are highly involved, those travellers are likely to pay more attention to the incoming information and, therefore, learn better. Travellers' previous visits are also proposed to positively influence the familiarity and expertise constructs of the new model. The logic behind this proposition is that if a traveller has been to the destination before, he/she is likely to have more familiarity and expertise on the destination than a traveller who has never been to the destination. The previous visits construct is also proposed to have a positive influence on a traveller's involvement. Previous studies suggest that as the number of previous visits to a specific destination increases, a traveller's involvement is likely to increase as well (Kim *et al.*, 1997).

In the comprehensive model of travellers' information search behaviour, learning is examined as having two dimensions: intentional learning and incidental learning. Intentional learning is proposed to increase a traveller' expertise and familiarity, while incidental learning is proposed to increase a traveller's familiarity. If a traveller learns information through intentional learning, he/she is likely to pay more attention to incoming information and process the information thoroughly (Nelson, 1984) and, therefore, increase his/her objective knowledge and expertise. In contrast, a traveller who learns through incidental learning is not likely to process information thoroughly. However, because the traveller thinks that s/he has some information about the destination

and its attractions, the incidental learning is likely to increase his/her subjective knowledge and therefore, his/her familiarity with the destination and its attractions.

Overall, the comprehensive model of travellers' information search behaviour suggests that information search strategies that are likely to be utilized tend to be influenced by a large number of interrelated variables. For immediate pre-purchase information needs, consumers are likely to utilize either internal or external information sources, or both. However, the type of pre-purchase information search strategy (internal and/or external) that is likely to be utilized is influenced directly by the perceived cost of the internal information search, the perceived cost of the external information search, and the level of travellers' involvement. Travellers' familiarity and expertise (prior product knowledge), learning and previous visits are proposed to influence a traveller's information search indirectly. The influence of travellers' familiarity and expertise is likely to be mediated by the costs of the internal and external information searches (Gursoy, 2001; Gursoy and McCleary, 2004a).

Impact of culture on information search strategies

From an international marketing perspective, culture, a way of directing individuals' thinking, is one of the most critical factors that are likely to influence travellers' decision-making and destination-selection processes. Culture also plays a vital role in determining the type of information search strategies that are likely to be utilized by travellers, including the sources of information they utilize in decision making. Several researchers have argued that culture determines what forms of communications are acceptable, and the nature and the degree of external search that travellers from any particular culture utilize (Engel *et al.*, 1995; Chen and Gursoy, 2001; Gursoy and Umbreit, 2004). The culture of a society can be defined at different levels such as national, regional, corporate and professional (Trompenaars, 1998). With an increasingly globalized

society, a plethora of literature has reported cultural differences at a national level. Hofstede (1991) portrayed the differences in national culture with five distinct cultural elements: (i) the 'power distance' element, showing that the less powerful individuals accept the fact that power is distributed unequally; (ii) 'individualism versus collectivism' elements, representing the degree of interdependence that a society maintains; (iii) the 'masculinity versus femininity' element, revealing the difference in societal roles between genders; (iv) the 'uncertainty avoidance' element, indicating the extent to which individuals feel threatened by uncertainty and attempt to prevail in these circumstances; and (v) the 'long-term orientation', element symbolizing the extent to which a society demonstrates a pragmatic future-oriented view rather than a normative or short-term perspective. Even though it is well accepted that culture plays a significant role on travellers' information search behaviour, only a small number of studies have examined the impact of culture on travellers' external information search behaviour in cross-cultural settings (see Gursoy and Umbreit, 2004).

Studies that have examined the impact of national culture on travellers' external information search behaviour concluded that national culture plays a significant role on what external information sources travellers from specific culture are likely to use for pre-purchase information searching (Schul and Crompton, 1983; Uysal *et al.*, 1990; Gursoy and Umbreit, 2004). For example, Uysal *et al.* (1990) reported that British travellers are likely to use travel agents as the main source of external information, followed by family and friends, brochures and pamphlets, and magazine and newspaper articles, while German travellers are more likely to utilize family and friends as their main information source followed by travel agents, brochures and pamphlets, and books and library materials. The findings of these authors also suggested that like German travellers, French travellers utilize family and friends as main sources, followed by travel agents, brochures and pamphlets, airlines, and articles in magazines and newspapers. In contrast, Japanese travellers were found to utilize books and

other library materials as main sources, followed by brochures and pamphlets, family and friends, and travel agents. Schul and Crompton (1983) examined relative ability of travel-specific lifestyle and sociodemographic variables to predict and explain the search behaviour of British travellers, and to discriminate between respondents exemplifying passive and active external information search strategies. Their findings suggested that the type of external information search strategy utilized by British travellers was more likely to be determined by their travel-specific lifestyle variables than by demographic variables. However, this study was limited to only one national group and, therefore, researchers were not able to conclude whether findings were applicable to other national groups.

Studies that examined the information search patterns of travellers from different national cultures also reported significant differences due to the moderating role that culture plays. For example, Gursoy and Chen (2000) reported that the information search patterns of British, French and German travellers have two dimensions: a business/leisure dimension and a dependent/independent dimension. They also identified four distinct market segments based on the information search behaviour found. Chen and Gursoy (2001) examined the utilization of external information sources by first-time and repeat British, French and German travellers, and also identified a (different) two-dimensional external information search pattern: proprietary/public and focused/unfocused.

Communicating with the Tourist Market

In today's dynamic global environment, understanding how travellers acquire information is important for marketing management decisions, and for designing effective marketing communication campaigns and service delivery (Wilkie and Dickson, 1985; Srinivasan, 1990). Understanding the information search strategies of key current and prospective markets can help destination

managers and marketers to develop cost-effective and focused target-marketing communications. Application of basic market segmentation techniques, using travellers' information source utilization patterns as either a segmentation basis or as a descriptor, may enable focused positioning and effective media selection. Certainly, understanding external information source utilization can help marketers to effectively tailor the promotional mix.

As a result, it is crucial for managers and marketers to understand the factors that are likely to influence travellers' information search strategies. For example, studies suggest that travellers' prior product knowledge is one of the most important factors that are likely to determine which information search strategies are likely to be utilized. Milman and Pizam (1995) suggest that the traveller's familiarity with a destination has a significant impact on future travel intentions and is likely to forward the traveller into a more advanced stage in the purchase decision process. Also, travellers who are low in familiarity with a destination are more likely to rely on external information sources to make their vacation decisions than those who are in high familiarity (Woodside and Ronkainen, 1980; Sheldon and Mak, 1987; Snepenger et al., 1990). Findings of other recent studies suggest that travellers who are low in familiarity or high in expertise are likely to rely on external information sources to make their travel decisions. However, destination managers and marketers should understand that even though both travellers who are low in familiarity and travellers who are high in expertise are likely to rely on external information sources, they certainly have different types of information needs. Therefore, they are likely to utilize different information search strategies. Travellers who are low in familiarity need simple, understandable and overall information, while travellers who are high in expertise need detailed and specific information about the destination and its attributes to make their vacation decisions. This implies that destination managers and marketers can use travellers' levels of prior product knowledge (familiarity and expertise) as a segmentation tool to develop communication

strategies that are most appropriate for each segment (Gursoy, 2001).

Because travellers who are low in familiarity with a destination are likely to have a hard time processing information gathered from external sources because of their limited processing ability, they may require a different communication strategy from travellers who are expert. Communication strategies developed for unfamiliar travellers should then (as already stated) provide simple information about the overall destination. Those communication materials may also need to include a comparison of the destination against other destinations that target the same market to make it easier for the traveller to digest the information. In other words, communication materials should clearly identify the unique selling propositions of the destination to differentiate that destination from competitors and to make positioning of the destination easier for unfamiliar travellers. Establishing a good and understandable communication with unfamiliar travellers is critical in convincing them to choose one destination over other destinations because low familiarity is associated with higher perceived importance of, and receptivity to, new information (Park et al., 1988). Studies also suggest that travellers who are low in familiarity with a destination utilize personal external information sources, including word-of-mouth communications, which can be used as an effective method for communicating with those travellers (in contrast to travellers high in expertise who are more likely to utilize destination-specific external sources) (Gursoy, 2001; Gursoy and McCleary, 2004a,b). Because of their limited ability to process the product-related information, travellers who are unfamiliar with a destination are more likely to sample the opinions of others, such as their friends and family. Because positive word of mouth is the result of satisfaction, special attention needs to be given to customer satisfaction and complaint handling.

As already mentioned, while travellers who are low in familiarity with a destination utilize (personal) external information sources to gather simple, understandable and overall information about a destination,

travellers who are high in expertise are likely to need specific and detailed information about the destination and its attributes. Therefore, a separate communication strategy should be developed to communicate with 'expert' travellers. Communication materials developed for expert travellers should include detailed information about the attributes that are important to the target market. However, those attributes important to the target market should be identified by conducting formal or informal research on travellers, and not based on managers' perceptions of which attributes are important and which are not. A survey can be designed or a focus group study conducted to find out and monitor what destination attributes are the most important ones for expert travellers. Managers may also identify the important attributes by talking to their existing customers, and special attention should be paid to the identification of destination attributes by expert travellers. If destination managers and marketers fail to ask the right questions of the right audience, they may end up making the wrong conclusions and developing a wrong communication strategy. After the important attributes of destinations are identified, these will need to be communicated to expert travellers, who are more likely to search for detailed information. Therefore, communication materials (i.e. brochures, direct mailing materials, etc.) about destinations need to be developed that provide detailed information about that destination and its important attributes. However, destination managers and marketers should also be aware of the fact that travellers' needs, wants and desires keep changing, and that these changes are likely to influence their information needs. Changing consumer needs and wants therefore need to be monitored, because they are likely to shift the importance placed on destination attributes. They will also result in a need to modify communication materials to match the changed needs and wants of expert travellers.

It is also crucial for managers and marketers to understand the importance of the perceived cost of information search. Both familiar and expert travellers are likely to utilize external information sources to varying degrees, but their utilization of external information is likely to be influenced by their perception of the cost of the information search. The negative relationship between the perceived costs and external information searching should cause marketers to take steps to make an external search as inexpensive and time-efficient as possible. This is often not the case in hospitality and tourism marketing. For example, a perusal of destination websites quickly reveals sites that are difficult to navigate, take a long time to load, and are linked to empty sites and incomplete information. The resulting increase in time cost to acquire information can cause travellers to look elsewhere for information. Another factor that destination marketers should pay attention to is that the more information available about a destination, the more likely travellers are to increase both incidental and intentional learning. These two factors are likely to lead to an increased familiarity and expertise, which, in turn, decrease information search costs, reduce the necessity for extensive external searching and help to focus the search on specific attributes rather than on general information. Marketers should also recognize the value of actual visitation to a site for improving marketing outcomes, or of the use of familiarization (FAM) trips for travel agents, or of on-site visitation incentives for selling timeshares. Indeed, previous visits are likely to have a positive impact on involvement with a destination while increasing familiarity and expertise, which lead to the outcomes discussed above.

Studies also suggest that travellers with moderate familiarity of a destination are more likely to make their vacation decisions based on what they know about that destination (Gursoy, 2003; Gursoy and McCleary, 2004b). This suggests that destination managers and marketers need to know how much prospective as well as existing travellers know about their destinations, and how accurate their knowledge is. Studies show that what people think they know and what they actually know often do not correspond (Park *et al.*, 1994). If travellers' perceptions (images) of the destination are negative owing to their subjective knowledge, which is not accurate, results may be disastrous. A traveller who has

negative perceptions about a destination is not likely to consider visiting that destination. Furthermore, that traveller is not likely to recommend a destination that s/he has negative perceptions of to his/her friends. Therefore, destination managers and marketers may need to examine travellers' perceptions of a destination to make sure that those perceptions reflect reality. If their examinations indicate that travellers' perceptions of their destination are negative and do not reflect the true nature of the destination, they may need to take corrective actions. In order to take corrective actions, destination marketers first need to identify what causes those negative perceptions, and then they need to determine the best way to improve the destination image.

Marketers should also recognize the importance of understanding the cultural values held by travellers. As suggested by the studies reviewed above, the culture of travellers plays a significant moderating role in their information-searching, decision-making and destination-selection behaviour. For example, a study conducted to examine the external information search behaviour of travellers to 15 European Union (EU) member states revealed that national culture played a significant moderating role in travellers' information search behaviour (Gursoy and Umbreit, 2004). Based on the moderating effect of national culture on travellers' utilization of external information sources, those 15 EU member states were grouped into five distinct segments. Each segment was found to utilize significantly different groups of external information sources. Findings of this and other studies suggest that destination managers who want to attract international travellers to their destinations should, first, thoroughly study the culture of the target market they are going after in order to develop the most effective and efficient marketing communication strategies. The cultural values of the target market are likely to determine what an acceptable communication strategy is in that culture. Furthermore, destination managers should understand that a strategy that may work in one culture may not work in others. Therefore, communication strategies and specific communication

tools should be modified in order to fit into the culture of the target market.

Directions for Future Research

As discussed earlier, studies suggest that the perceived costs of external and internal information searches are likely to play a significant role in travellers' information search behaviour. Travellers are likely to continue searching for information by utilizing external sources as long as they believe that the benefits gained from the search exceed the cost of search. Travellers are also likely to utilize the external information source that has the lowest external and/or internal search cost. Even though understanding the cost of information is vital in developing communication strategies and materials, limited research has been done in this area. Most research in the area has focused on the time spent searching for information, and most data were collected through self-instructed survey instruments. There is an urgent need for studies to examine the other aspects of information searching. Researchers need to consider utilizing experimental research designs rather than survey methods in order to truly understand the influence of cost on travellers' utilization of information sources.

One area of external information search tools that has been receiving increasing attention in recent years is the Internet. An increasing number of researchers are conducting studies to understand the impact of the Internet on information search behaviour and how best to utilize it. The World Wide Web, or the Internet, has become a powerful and ubiquitous means of delivering a range of messages to hundreds of millions of travellers worldwide. As travellers get more familiar with using the Internet, they are learning to use platforms to find information about travel destinations and travel products other than the ones that are built and maintained by the different sectors of the tourism, travel and hospitality industry. The Internet made it possible for travellers to share their experiences with other travellers through chat rooms, discussion forums, third-party

websites that are designed to allow travellers to post their experiences, online booking engines, etc. These developments are moving in the direction of mash-ups of online and offline information sources, the development of information highways with several lanes, and forcing business to be an active part of the online community by providing relevant and up-to-date information. These changes have created a radically different approach to developing and distributing information, disrupting the traditional communication distribution model. They are pushing businesses to develop new types of information-oriented platforms and new kinds of customizable application environments, and forcing businesses to think about massive information distribution in a novel and customized manner. Furthermore, the landscape shifts very quickly, making it difficult to settle on business models and interaction paradigms. Even though the Internet is changing the way companies conduct their businesses and the way consumers search for information and buy products, tourism researchers are not paying much attention to these changes. It is critical for companies to understand the why, what, when and how of the Internet and the way that travellers utilize it.

Conclusion

This chapter has examined travellers' information search behaviour and strategies, and the factors that are likely to influence external and internal search strategies. The studies reviewed revealed that the type of information search (internal and/or external) a traveller conducts is likely to be influenced directly by the perceived cost of an internal information search, the perceived cost of an external information search and the level of travellers' involvement. The studies also showed that travellers' prior product knowledge, the way they learn the information, and previous visits are likely to have indirect effects on travellers' information search behaviour. They also suggest that travellers' prior product knowledge of a destination has two components, familiarity and expertise, as opposed to the general belief among tourism

researchers that travellers' knowledge is a unidimensional construct that can be easily measured by counting the number of previous trips taken to the destination in question. What is more, the studies suggest that the influences of familiarity and expertise on travellers' utilization of external and/or internal information sources vary. While travellers highly familiar with a destination rely heavily on internal information searching to make their vacation decisions, travellers who are expert are likely to search for information from external information sources even though they have more prior product knowledge about vacation destinations than travellers who are familiar with a destination. The studies reviewed further suggest that the cost of information searching is likely to mediate the relationship between prior knowledge and information search behaviour. An increase in the cost of external information search is likely to decrease the level of external search activities, and an increase in the cost of internal information search is likely to decrease internal search activities. The costs of both external and internal information searches are suggested to moderate the effects of the traveller's familiarity and expertise, which represent the traveller's prior knowledge.

Studies suggest that as travellers' familiarity with a destination increases they are more likely to make their vacation decisions based on what they know about that destination (Gursoy, 2001). Whether a traveller relies solely on internal information search will depend heavily on the perceived adequacy or perceived quality of their existing knowledge. Tourism managers and marketers should remember that familiarity is a measure of subjective knowledge. Subjective knowledge refers to people's perceptions of what or how much they know about a product or product class (Monroe, 1976; Park *et al.*, 1994). Therefore, if a traveller is confident that s/he knows enough about a destination, s/he may not utilize any of the available external information sources. Even if a traveller utilizes external information sources, this perceived self-confidence may affect the utilization of those information sources (Brucks, 1985). Another factor

that is likely to moderate the type and level of information search activity is the culture of the traveller in question. The studies suggest that culture plays a significant role in determining which external information sources a traveller utilizes. Therefore, understanding the cultural variations in each market and revising the communication strategy based on those differences may prove to be crucial for destinations targeting travellers in international markets. It is important for destination marketers to have an overall picture of how travellers acquire information. It is also important to know the major components of the search process and how they fit together. With this understanding, marketers can design communication strategies aimed specifically at different stages in the information search process, which will lead to efficient use of resources and more success in attracting tourists to their specific destinations.

References

Alba, J.W. and Hutchinson, J.W (1987) Dimensions of consumer expertise. *Journal of Consumer Research* 13, 411–453.

Anderson, R.A and Jolson, M.A. (1980) Technical wording in advertising: implications for market segmentation. *Journal of Marketing* 44, 57–66.

Avery, R.J. (1996) Determinants of search for nondurable goods: an empirical assessment of the economics of information theory. *Journal of Consumer Affairs* 30, 390–420.

Beatty, S.E. and Smith, S.M. (1987) External search effort: an investigation across several product categories. *Journal of Consumer Research* 14, 83–95.

Bettman, J.R. (1979) Memory factors in consumer choice: a review. *Journal of Marketing* 43, 37–53.

Bettman, J.R., Johnson, E.J. and Payne, J.W. (1991) Consumer decision making. In: Robertson, T.S. and Kassarjian, H.H. (eds) *Handbook of Consumer Research*. Prentice Hall, Englewood Cliffs, New Jersey, pp. 50–84.

Bieger, T. and Laesser, C. (2004) Information sources for travel decisions: towards a source process model. *Journal of Travel Research* 42, 357–371.

Bloch, P.H., Sherrell, D.L. and Ridgway, N.M. (1986) Consumer search: an extended framework. *Journal of Consumer Research* 13, 119–126.

Brucks, M. (1985) The effects of product class knowledge on information search behavior. *Journal of Consumer Research* 12, 1–16.

Cai, L., Feng, R. and Breiter, D. (2004) Tourist purchase decision involvement and information preferences. *Journal of Vacation Marketing* 10, 138–148.

Chen, J.S. and Gursoy, D. (2001) An investigation of tourists' destination loyalty and preferences. *International Journal of Contemporary Hospitality Management* 13, 79–85.

Copeland, M.T. (1923) Relation of consumers' buying habits to marketing methods. *Harvard Business Review* 1, 282–289.

Coupey, E., Irwin, R.I. and Payne, J.W. (1998) Product category familiarity and preference construction. *Journal of Consumer Research* 24, 459–468.

Duncan, C.P. and Olshavsky, R.W. (1982) External search: the role of consumer beliefs. *Journal of Marketing Research* 19, 32–43.

Engel, J.F., Blackwell, R.W. and Miniard, P.W. (1993) *Understanding the Consumer*, 7th edn. Dryden, Fort Worth, Texas.

Engel, J., Blackwell, R.D. and Miniard, P. (1995) *Consumer Behavior*, 8th edn. Dryden, Fort Worth, Texas.

Etzel, M.J. and Wahlers, R.G. (1985) The use of requested promotional material by pleasure travelers. *Journal of Travel Research* 23(4), 2–6.

Filiatrault, P. and Ritchie, J.R.B. (1980) Joint purchasing decisions: a comparison of influence structure in family and couple decision making units. *Journal of Consumer Research* 7, 131–140.

Fodness, D. and Murray, B. (1997) Tourist information search. *Annals of Tourism Research*, 24, 503–523.

Fodness, D. and Murray, B. (1998) A typology of tourist information search strategies. *Journal of Travel Research* 37, 108–119.

Fodness, D. and Murray, B. (1999) A model of tourist information search behavior. *Journal of Travel Research* 37, 220–230.

Furse, D.H., Punj, G.N. and Steward, D.W. (1984) A typology of individual search strategies among purchasers of new automobiles. *Journal of Consumer Research* 10, 417–431.

Gitelson, R. and Crompton, J. (1983) The planning horizons and sources of information used by pleasure vacationers. *Journal of Travel Research* 21(3), 2–7.

Gitelson, R.J. and Perdue, R.R. (1987) Evaluating the role of state welcome centers in disseminating travel related information in North Carolina. *Journal of Travel Research* 25(4), 15–19.

Gursoy, D. (2001) Development of travelers' information search behavior model. PhD thesis, Virginia Polytechnic Institute and State University, Blacksburg, Virginia.

Gursoy, D. (2003) Prior product knowledge and its influence on the traveler's information search behavior. *Journal of Hospitality and Leisure Marketing* 10, 113–131.

Gursoy, D. and Chen, J.S. (2000) Competitive analysis of cross cultural information search behavior. *Tourism Management* 21, 583–590.

Gursoy, D. and Chi, C.G (2008) Chapter 10: Travelers' information search behavior. In: Oh, H. (ed.) *Handbook of Hospitality Marketing Management*. Elsevier Butterworth-Heinemann, Oxford, UK, pp. 266–297.

Gursoy, D. and Gavcar, E. (2003) International leisure tourist's involvement profile. *Annals of Tourism Research* 30, 906–926.

Gursoy, D. and McCleary, K.W. (2004a) An integrative model of tourist's information search behavior. *Annals of Tourism Research* 31, 353–373.

Gursoy, D. and McCleary, K.W. (2004b) Travelers' prior knowledge and its impact on their information search behavior. *Journal of Hospitality and Tourism Research* 28, 66–94.

Gursoy, D. and Umbreit, W.T. (2004) Tourist information search behavior: cross-cultural comparison of European Union Member States. *International Journal of Hospitality Management* 23, 55–70.

Hofstede, G. (1991) *Organization and Cultures: Software of the Mind*. McGraw Hill, New York.

Howard, D.R. and Gitelson, R. (1989) An analysis of differences between state welcome center users and nonusers: a profile of Oregon vacationers. *Journal of Travel Research* 27(4), 38–40.

Howard, J.A. and Sheth, J.N. (1969) *The Theory of Buyer Behavior*. John Wiley, New York.

Hyde, K.F (2006) Contemporary information search strategies of destination-naïve international vacationers. *Journal of Travel and Tourism Marketing* 21, 63–76.

Jenkins, R.L. (1978) Family vacation decision making. *Journal of Travel Research* 16 (4), 2–7.

Johnson, E.J. and Russo, J.E. (1984) Product familiarity and learning new information. *Journal of Consumer Research* 11, 542–550.

Kassarjian, H.H. and Robertson, T.S. (1968) *Perspectives in Consumer Behavior*. Scott, Foresman, Glenview, Illinois.

Kendall, K.W. and Booms, B.H. (1989) Consumer perceptions of travel agencies: communications, images, needs, and expectations. *Journal of Travel Research* 27(4), 29–37.

Kim, S.S., Scott, D. and Crompton, J.L. (1997) An exploration of the relationships among social psychological involvement, behavioral involvement, commitment, and future intensions in the context of birdwatching. *Journal of Leisure Research* 29, 320–341.

Milman, A. and Pizam, A. (1995) The role of awareness and familiarity with a destination. *Journal of Travel Research* 33(3), 21–27.

Monroe, K.B. (1976) The influence of price differences and brand familiarity on brand preferences. *Journal of Consumer Research* 3, 42–49.

Mountinho, L. (1987) Consumer behavior in tourism. *European Journal of Marketing* 21(10), 5–25.

Murray, K.B. (1991) A test of services marketing theory: consumer information acquisition activities. *Journal of Marketing* 55, 10–23.

Nelson, D.G. (1984) The effects of intention on what concepts are acquired. *Journal of Verbal Learning and Verbal Behavior* 23, 734–759.

Nolan, S. (1976) Tourists' use and evaluation of travel information sources. *Journal of Travel Research* 14(3), 6–8.

Olshavsky, R.W. (1985) Towards a more comprehensive theory of choice. In: Hirschman, E. and Holbrook, M.T. (eds) *Advances in Consumer Research*, *Vol. 12*. Association for Consumer Research, Provo, Utah, pp. 465–470.

Park, C.W., Gardner, M.P. and Thukral, V.K. (1988) Self-perceived knowledge: some effects on information processing for a choice task. *American Journal of Psychology* 101(3), 401–424.

Park, C.W., Mothersbaugh, D.L. and Feick, L. (1994) Consumer knowledge assessment. *Journal of Consumer Research* 21, 71–82.

Perdue, R.R. (1985) Segmenting state information inquirers by timing of destination decision and previous experience. *Journal of Travel Research* 23(3), 6–11.

Perdue, R.R. (1993) External information search in marine recreational fishing. *Leisure Sciences* 15, 169–187.

Punj, G. and Staelin, R. (1983) A model of consumer information search behavior for new automobiles. *Journal of Consumer Research* 9, 366–380.

Raitz, K. and Dakhil, M. (1989) A note about information sources for preferred recreational environments. *Journal of Travel Research* 27(1), 45–49.

Schmidt, J.B. and Spreng, R.A. (1996) A proposed model of external consumer information search. *Journal of the Academy of Marketing Science* 24, 246–256.

Schul, P. and Crompton J.L. (1983) Search behavior of international vacationers: travel-specific lifestyle and sociodemographic variables. *Journal of Travel Research* 22(3), 25–31.

Sheldon, P.J. and Mak, J. (1987) The demand for package tours: a mode choice model. *Journal of Travel Research* 26(2), 8–14.

Sirakaya, E., McLellan, R. and Uysal, M. (1996) Modeling vacation destination decisions: a behavioral approach. *Journal of Travel and Tourism Marketing* 5, 57–75.

Snepenger, D. and Snepenger, M. (1993) Information search by pleasure travelers. In: Kahn, M.A., Olsen, M.D. and Var, T. (eds) *Encyclopedia of Hospitality and Tourism*. Van Nostrand Reinhold, New York, pp. 830–835.

Snepenger, D., Meged, K., Snelling, M. and Worrall, K. (1990) Information search strategies by destination-naïve tourists. *Journal of Travel Research* 29(1), 13–16.

Srinivasan, N. (1990) Pre-purchase external information search for information. In: Zeithaml, V.E. (ed.) *Review of Marketing*. American Marketing Association, Chicago, Illinois, pp. 153–189.

Srinivasan, N. and Ratchford, B.T. (1991) An empirical test of a model of external search for automobiles. *Journal of Consumer Research* 18, 233–242.

Stigler, G. (1961) The economics of information. *Journal of Political Economy* 19, 213–225.

Teare, R. (1992) An exploration of the consumer decision process for hospitality services. In: Teare, R., Moutinho, L. and Morgan, N.J. (eds) *Managing and Marketing Services in the 1990s*. Cassell Educational, London, pp. 233–248.

Tjøstheim, I. and Tronvoll, B. (2002) The internet and city tourists: a study of preferences for information sources in travel planning. In: Wøber, K.W. (ed.) *City Tourism 2000*. Springer, Vienna, pp. 276–285.

Trompenaars, A. (1998) *Riding the Waves of Culture: Understanding Diversity in Global Business*. Irwin Professional, Burr Ridge, Illinois.

Urbany, J.E., Dickson, P.R. and Wilkie, W.L. (1989) Buyer uncertainty and information search. *Journal of Consumer Research* 16, 208–215.

Uysal, M., McDonald, C.D. and Reid, L.J. (1990) Sources of information used by international visitors to U.S. parks and natural areas. *Journal of Park and Recreation Administration* 8, 51–59.

Vogt, C.A. and Fesenmaier, D.R. (1998) Expanding the functional information search. *Annals of Tourism Research* 25, 551–578.

Wilkie, W.L. and Dickson, P.R. (1985) *Shopping for Appliances: Consumers' Strategies and Patterns of Information Search.* Marketing Science Institute, Cambridge, Massachusetts.

Woodside, A.G. and Ronkainen, I.A. (1980) Vacation planning segments: self planning vs. users of motor club and travel agents. *Annals of Tourism Research* 7, 385–393.

Zeithaml, V.A., Parasuraman, A. and Berry, L.L. (1990) *Delivering Quality Service*. Free Press, New York.

6 Experiential Consumption and Destination Marketing

Andrew R. Walls and Youcheng Wang

_____

Introduction

The purpose of this chapter is to examine consumption experiences and the role they play in destination marketing. A proper understanding of consumption experience and destination marketing is needed to develop and project the right message to the consumer. As a result of this relationship, it is argued that the role of tourism organizations is not only the development and promotion of the destination product but also the manufacture of imagery of tourist experiences, including the indigenous physical and cultural environment and human interactions with destination hosts and fellow tourists.

Tourists, it has been argued, generally possess little direct experience of places before their visits, and by the very nature of tourism involving travel to a destination, they are unable to try or test the destination before purchase. Tourism, like many other examples in the service industry, is characterized by purchases of the intangible along with heterogeneity and the inseparability of production and consumption (Parasuraman *et al.*, 1985).

Experiences comprise purchased tangible components such as hotel accommodation and transportation. However, the tangible component is not actually purchased in the traditional sense; rather, what is purchased is the right to use the product for a period of time. This interaction between tourists and the tangible place, as well as the interaction between local inhabitants and fellow tourists, provides the core of tourist experiences. Tourist interactions, at their core, are auto-responsive and instinctual (Titz, 2007) and comprise consumer behaviour that can relate to cognitive and emotional values (Sheth *et al.*, 1991; Bitner, 1992; Naylor and Kleiser, 2002). This topic is important because it suggests that before gaining a comprehensive understanding of consumer behaviour in a destination marketing context, it is essential to understand the role of consumption experiences in order to manage and promote tourism destinations. Further, it is posited that meanings associated with a destination are created from the interaction with the physical and human connections made at the destination. The strength of those meanings emerges from the nature of the interaction between those relationships (Trauer and Ryan, 2005).

The chapter begins by defining the nomenclature associated with consumption experiences. Particular attention is paid to concepts that give support to our understanding of consumer experiences and their applications to the destination marketing field. The review includes literature on experience or experience dimensions, consumption and consumer experiences, and perceived

physical environment and human interaction. Next, in order to simplify the conceptualization of the hospitality and destination experience, a consumer experience framework is introduced. Following this is a discussion of destination marketing organizations and the role that consumption experiences play in the nature of destination image. Last, there is a summary/conclusion and a discussion on directions for future research opportunities.

Background

The nature of experience and consumption experiences

There is a plethora of research on experience and consumption experiences in the academic literature (e.g. Kaplan, 1987; Edgall and Hetherington, 1996; Carlson, 1997; Carù and Cova, 2003; Andersson, 2007; Knutson et al., 2009). Although the term experience has existed and gained momentum for nearly two decades, many different meanings, interpretations and perceptions of it exist. The concepts of consumer experience and experiential marketing arose because the traditional benefits and features of marketing no longer effectively met the needs of the consumer (Schmitt, 1999). This deficiency resulted from five simultaneous developments: (i) the omnipresence of information technology for fuelling innovative experiences; (ii) the superiority of the brand; (iii) a demanding consumer base that grew more sophisticated and affluent; (iv) an increasingly competitive services sector; and (v) the ubiquity of integrated communications and entertainment (Pine and Gilmore, 1998; Schmitt, 1999; Knutson et al., 2006). These changes have resulted in an evolving marketplace, as demonstrated by a wide array of meanings, understandings and applications.

The theoretical origins of consumer experience may be traced back to several specialized fields of behavioural science. These fields include cultural industry systems (Hirsch, 1972), aesthetics (Jaeger, 1945; Kaplan, 1987), the psycholinguistics affective response (Osgood et al., 1957), and fantasy, imagery

and multi-sensory aspects within psychology (Singer, 1966; Swanson, 1978; Hirschman and Holbrook, 1982). Motivation research within the marketing field focuses on the emotional aspects of products/services, fantasies aroused by products (Dichter, 1960; Zajonc, 1980) and product symbolism (Levy, 1959; Denzin, 1992). While these studies contributed to the paradigm shift and extended the traditional methods used in consumer behaviour research by incorporating more phenomenological approaches, one of the challenges in this stream of research is the diverse definitions of consumer experience (see Table 6.1).

As demonstrated in Table 6.1, experience has been a part of studies spanning many fields, demonstrating that there is a healthy and broad application of this concept. From a sociological and psychological perspective, Maslow (1964) defined peak experiences as those in which the individual transcends ordinary reality and perceives being or ultimate reality; they are short in duration and accompanied by positive affect. Similarly, Thorne (1963) defined peak experience as 'subjectively recognized to be one of the high points of life, one of the most exciting, rich and fulfilling experiences which the person has ever had'. Peak experience can be contrasted with a nadir experience, which is 'subjectively recognized to be one of the lowest points of life, one of the worst, most unpleasant and harrowing experiences of life' (Thorne, 1963, p. 248). From an anthropological and ethnological perspective, an experience is the way in which culture affects the way an individual receives events into his or her consciousness (Carù and Cova, 2003). Though an experience is perceived according to an individual's perspective, conceptually it is distinguishable from an ethnology perspective, which involves experiences that happen to others, society and the world (Abrahams, 1986).

Employing an economic and marketing perspective, Schmitt (1999) declared that experiences are private, personal events that occur in response to some stimulation and involve the entire being as a result of observing or participating in an event. He postulated that in order to stimulate desired consumer experiences, marketers must

Table 6.1.   A summary of definitions of experience.

Author	Year	Definition
Ray	(2008)	Experiences interrupt people from their lives and expectations to provide something of interest that demands attention; experiences themselves are incredibly involving.
Lashley	(2008)	Discusses tourism experiences from the perspective of creating hospitable relationships between the host and guest; these experiences engage emotions, which is essential to creating a memory.
Titz	(2007)	No single model of experiential consumption has emerged; experiential consumption is central to a comprehensive understanding of consumer behaviour in the hospitality and tourism context.
Mossberg	(2007)	A blend of many elements coming together and involving the consumer emotionally, physically, intellectually and spiritually.
Oh, Fiore, and Jeoung	(2007)	From a consumer's perspective experiences are 'enjoyable, engaging, memorable encounters for those consuming these events'.
Andersson	(2007)	The tourist experience is proposed as the moment when tourism consumption and tourism production meet.
Uriely	(2005)	The tourist experience is currently depicted as an obscure and diverse phenomenon, which is mostly constituted by the individual consumer.
Berry, Carbone, and Haeckel	(2002)	The means of orchestrating all the clues that people detect in the buying process.
Lewis and Chambers	(2000)	The total outcome to the customer from the combination of environment, goods and services purchased.
McLellan	(2000)	The goal of experience design is to orchestrate experiences that are functional, purposeful, engaging, compelling and memorable.
Schmitt	(1999)	Experiences are private events that are not self-generated but rather occur in response to some staged situation and involve the entire being.
Gupta and Vajic	(1999)	An experience occurs when a customer has any sensation or acquisition of knowledge resulting from some level of interaction with different elements of a context created by a service provider.
Pine and Gilmore	(1998, 1999)	A distinct economic offering that is as different from services as services are from goods; successful experiences are those that the customer finds unique, memorable and sustainable over time, would want to repeat and build upon and enthusiastically promotes via word of mouth.
O'Sullivan and Spangler	(1998)	An experience involves the participation and involvement of the individual in the consumption and the state of being physically, mentally, emotionally, socially or spiritually engaged.
Carlson	(1997)	An experience can be defined as a constant flow of thoughts and feelings that occur during moments of consciousness.
Merriam-Webster	(1993)	The fact or state of having been affected by or gained knowledge through a direct observation or participation.
Arnould and Price	(1993)	Extraordinary experiences are those characterized by high levels of emotional intensity.
Denzin	(1992)	Extraordinary experiences rupture routines and life and provoke radical redefinitions of the self. In moments of epiphany, people redefine themselves. Epiphanies are connected to turning-point experiences.
Csikszentmihalyi	(1990)	Flow is the optimal experience that keeps one motivated. This feeling often involves painful, risky or difficult efforts that stretch the person's capacity, as well as an element of novelty and discovery. Flow is an almost effortless yet highly focused state of consciousness and yet the descriptions do not vary much by culture, gender or age.

(*Continued*)

Table 6.1. *Continued*

Author	Year	Definition
Mannell	(1984)	An experience, or state of mind, is uniquely individual and it is the quality rather than the quantity of leisure in our lives that deserves attention.
Hirschman and Holbrook	(1982)	Those facets of consumer behaviour that relate to the multi-sensory, fantasy and emotive aspects of one's experience with products.
Maslow	(1964)	Peak experience is the experience in which the individual transcends ordinary reality and perceives being or ultimate reality; it is short in duration and accompanied by positive affect.
Thorne	(1963)	Peak experience is subjectively recognized to be one of the high points of life, one of the most exciting, rich and fulfilling experiences which the person has ever had; a nadir experience may be described operationally as a subjective experiencing of what is subjectively recognized to be one of the lowest points of life, one of the worst, most unpleasant and harrowing experiences of life.

provide the right setting and environment. Lewis and Chambers (2000) defined consumer experience as 'the total outcome to the customer from the combination of environment, goods and services purchased' (p. 46). Finally, most researchers attempting to define the experience overlook the operational patterns that are common to many consumer experiences. For example, Solomon and Corbit (1974) described the *standard pattern of affective dynamics* that can shed light on the many empirical commonalities in effective and hedonic experiences. They describe this pattern as follows (p. 120):

> First, following the sudden introduction of either a pleasurable or aversive stimulus, an affective or hedonic reaction begins and quickly rises to a peak. It then slowly declines to a steady level where it remains if the stimulus quality and intensity is maintained. Then, at the sudden termination of the stimulus, the affective reaction quickly disappears and gives way to a qualitatively very different type of affective reaction which reaches its own peak of intensity and then slowly disappears with time.

According to Solomon and Corbit (1974), the pattern consists of five distinctive features: (i) the *peak* of the primary hedonic process or state, precipitated by the stimulus onset; (ii) a period of hedonic or affective *adaptation* during which the intensity of the hedonic state declines, even though stimulus

intensity is maintained; (iii) a *steady level* of the hedonic process that continues as long as stimulus intensity is maintained; (iv) a *peak of affective after-reaction,* which quickly follows stimulus termination and whose quality is hedonically very different from that of the primary hedonic state; and finally (v) the after state in which the experience decays and subsequently disappears. This description is helpful in understanding what a person undergoes during a prescribed consumer experience: the peak of primary affect reaction will be less intense, and the peak of affective after-reaction will be intense and long-lasting. This concept has sensible applications to the hospitality and tourism setting. In a tourism context, for example, visiting a luxury oceanfront resort day after day, consumers may be less affected by the sights, smells, and sounds than they were during their first few visits.

An experience or experience dimension(s) is a blend of many individual elements that come together that may involve the consumer emotionally, physically, spiritually and intellectually (Mossberg, 2007). Examples of tourist experience dimensions may include physical surroundings, social surroundings and other consumers or tourists. Carlson (1997) postulated that an experience can be characterized as a steady flow of thoughts and feelings that take place during moments of consciousness regarding experience dimensions. However, a destination

cannot grant an experience to the consumer; rather, destinations can only create the environment and the circumstances in which consumers can have an experience. It is the consumer or tourist who adds the final link to the production chain by putting together the resources in a consumption experience that produces the tourism experience (Andersson, 2007). In other words, the experiences that consumers encounter occur inside themselves, and the outcome or consumption experience depends on how the consumer, based on a specific situation or state of mind, reacts to the staged encounter (Csikszentmihalyi, 1990; Pine and Gilmore, 1999; Wang, 2002; Mossberg, 2007). For the purposes of this chapter, when destination marketing organizations create and choreograph experiences for tourists, it is called experiential marketing.

Experience defined

When examining experiences and consumption experiences, it is tempting to consider only market-related experiences. However, it is vital to understand that consumption experiences encompass more than just these experiences (i.e. experiences linked with economic transactions). Edgall *et al.* (1996) outlined four unique consumption experiences. Their typology includes community experiences resulting from reciprocal relationships with friends or neighbours, household experiences resulting from obligatory relations with members of the family, state or citizen experiences resulting from relationships with other citizens, and market-related or consumer experiences resulting from encounters with businesses and other tourists. They postulated that there is a distinction between a 'consumption' experience and a 'consumer' experience. For example, a communal consumption experience involving a dinner party with friends or fellow tourists is a friendship experience even though it is linked to the marketplace where the food was purchased. Similarly, a communal consumption experience involving conversation with friends is outside the realm of the marketplace. Stated differently, if there is no product or service exchange, then the individual no longer engages in a consumer-related experience but, instead, encounters experiences that are outside or beyond the market setting (Carù and Cova, 2003).

Consumption experiences

Due to the broad range of experiences that tourists encounter when travelling to/from a destination, it is posited that tourists encounter more than market-related experiences; rather experiences may include communal, household, state or citizen, and market-related experiences. For example, tourists partaking in local cultural or ritual customs results in citizen experiences and these are typically outside market-related experiences. Consequently, destination marketers should recognize the diversity of experiences that tourists encounter and carefully craft their messages accordingly to include both market- and non-market-related experiences.

Consumer experience and destination marketing

In the modern service industry, much attention has been given to creating experiences for customers. Why is this important for destination marketing organizations? Some researchers have argued that, as the economy offers an increasing number of commoditized products and services, companies must find new concepts and marketing strategies to differentiate themselves from their respective competitors (Schwartz, 1990; Pine and Gilmore, 1999; Mossberg, 2007). Destinations are no different and also have faced commoditization of destination resources. Consumers want more than the purchase of a product and a service; they want the experiences, relationships and stories behind the transaction (Carlson, 1997). One way to achieve this is to focus on the design and delivery of destination experiences in an effort to increase customer satisfaction and, ultimately, customer loyalty.

Pine and Gilmore (1999), in their description of an emerging experience-based economy, indicated that consumers desire

more than just the production, delivery and consumption of products and services; rather, they seek unique occurrences that accompany products and services in order to create memorable experiences. Pine and Gilmore (1999) argued that businesses must shift their attention from a 'make and inventory' goods economy and a 'delivery-focused' service economy that emphasizes high-quality products and services to an economy that emphasizes 'staged' experiences that ultimately create memorable consumption encounters. They define experiences as 'events that engage individuals in a personal way' (p. 12).

A number of studies have shown that the physical environment and human interaction dimensions can have an impact on the experiences of purchasing and consuming products and services in the service industry (Baker, 1987; Bitner, 1992; Carbone and Haeckel, 1994; Pullman and Gross, 2004). From a marketing services perspective, Mehrabian and Russell (1974) found that consumers have emotional responses to physical environments. Kotler (1973) described how the atmosphere of a store is often more important than its actual products. Milliman (1986) determined that the consumption behaviours of bar patrons were influenced by the rhythm and tempo of music played in the bar. Bitner's (1992) seminal research on 'servicescapes' (i.e. the impact of physical surroundings on customers and employees) created a significant conceptual typology of environmental items that included ambient conditions, space and function, signs, artefacts, symbols and social interactions. Positive consumer experiences, according to Pullman and Gross (2004), may result when employee behaviour is choreographed to identify and connect with consumers.

Drawing from research on physical environmental and human interaction items, other studies have also contributed to a better understanding of the consumer behaviour construct by hypothesizing how these items might impact the consumer's perceived values. For example, the studies of Lavidge and Steiner (1961), Schmitt (1999), Sheth *et al.* (1991) and Bitner (1992) determined that consumer behaviour can be organized into two broad constructs or dimensions – the emotive

construct and the cognitive construct. Consumers may place a value on their consumer experiences based on their cognitive and emotive perceptions of their encounters with products and services (Mathwick *et al.*, 2001). Throughout the consumer experience, consumers assess the overall utility of the product and service based on the perceptions of what is received and what is given. Consumer experiences, therefore, may induce certain consequences that are reflected in consumers' perceived cognitive and emotive values. For example, experiences that include economic value or efficiencies may appeal to consumer cognitive values. Likewise, consumer experiences that include positive visual appeal, enjoyment or entertainment encounters may induce positive emotive values.

Carbone and Haeckel (1994) and Oh *et al.* (2007) argued that consumer encounters, good or bad, short or long, always include experiences. The consumption experience, however, does not operate in a vacuum and can be subjected to a number of other factors that may influence the outcome. For example, some economic offerings tend to be more experience oriented (e.g. cruises or movies), and some tend to be less experience oriented (e.g. fast food or car rentals) (O'Sullivan and Spangler, 1998). Belk (1975), Bitner (1992) and Baker (1998), discussed how situational variables and individual characteristics may affect perceived environmental and human interaction dimensions. In his seminal work, Belk (1975) discussed how a proper understanding of situational variables can substantially enhance a researcher's ability to explain and comprehend consumer behavioural acts. Similarly, Bitner (1992) and Baker (1998), in their examinations of retail store environments, found that factors such as consumer goals, product familiarity, whether the consumer purchases a good or a service, and unique individual characteristics can influence a consumer's interpretation of and reaction to store-environment cues. According to this work, consumer experiences are not universal among various economic offerings, nor are they universal among various consumers.

In addition to the commonly agreed-upon concepts above, a number of areas of

dissonance have also emerged. First, Schmitt's (1999) definition, which posited that experience is 'not self-generated' but, instead, occurs in response to some staged event. This contradicts a number of studies (e.g. Csikszentmihalyi, 1990; Arnould and Price, 1993) indicating that individuals can initiate the process in which an experience can occur. For example, the 'flow' experiences of Csikszentmihalyi (1990) or the 'extraordinary' experiences of Arnould and Price (1993) would not occur if the individual did not intentionally partake in the occurrence in the first place. These ideas do not, however, preclude the possibility of an experience occurring when an individual unintentionally encounters an unexpected event, such as walking past a quartet of chamber musicians on the streets of Paris. Consequently, the literature is unclear. Are experiences 'self-generated' (i.e. can consumers control/choose whether they will have experiences or not), or are consumers blindly enrolled in experiences as they unfold in front of them? This chapter proposes that an experience can occur only when a consumer is willing and able to participate in that experience. For example, an 'unwilling' consumer seeking a coffee 'to go' (take away) in the concierge lounge of a luxury hotel may choose to make his or her own coffee and minimize or forgo the staged human interaction, and downplay or ignore the environmental cues. Conversely, a consumer who is on a leisure holiday may be more 'willing' and open to an experience and opt to savour a cup of coffee and examine and enjoy the environment as he or she consumes the product. Regardless, each consumer, depending on circumstances and individual characteristics, will determine his or her own willingness and capability for the experience.

Secondly, Berry *et al.* (2002) defined experiences as orchestrated cues that people detect. This raises the question of whether all consumers recognize orchestrated cues and whether consumers are affected equally by every consumer experience. For example, during a destination arrival or hotel check-in, is it conceivable that two different customers, undergoing nearly identical staged experiences, can interpret and react to the same cues differently? Do all consumers detect the same cues? How does previous product or service usage affect a consumer experience? Would a consumer choose to minimize or maximize his or her experience during a service encounter? Many studies have assumed that consumer experiences are received and absorbed similarly by every consumer. In contrast, Russell and Snodgrass (1987) found that some items may be totally undetectable (e.g. gases, chemicals, infrasound) yet profoundly affect individuals, especially employees who spend long hours in one environment.

Consumer experiences are commonly defined as orchestrated or staged (e.g. Pine and Gilmore, 1998; Schmitt, 1999) by an outside entity (i.e. people or businesses). Few studies, however, have addressed the fact that experiences can exist only when consumers consume or participate in events, and that they must be willing and able to participate. Further, it is important to examine whether experiences can occur without an orchestrated or staged event. For example, a visit to the ocean is commonly believed to affect people emotionally, physically, intellectually and spiritually. Therefore, by definition (e.g. Hirschman and Holbrook, 1982; Csikszentmihalyi, 1990; Arnould and Price, 1993; O'Sullivan and Spangler, 1998; Mossberg, 2007), this should be an experience, even though it is not staged or orchestrated.

Though the idea of consumer experience is still emerging, this literature review illustrates the considered views of what an experience is and how it might affect the consumer and the consumption process. Many definitional interpretations hinder a deeper understanding of this concept. Because of this variety of definitions and views of consumer experience, it is difficult for both researchers and practitioners to agree completely regarding this concept. Although the diversity of definitions and perspectives results in an interesting and varied exchange, a precise conceptualization of experience is difficult to find.

A Framework for Tourism Experience

Based on the above discussion, a framework (Fig. 6.1) is proposed to depict the composition of the tourism experience in a destination

marketing context. It is posited that the core consumer experience comprises two axes representing four components: ordinary, extraordinary, cognitive and emotive. On the peripheral of the customer experience are a number of factors that have an impact on customer experiences. It is further posited that customer experiences do not operate in a vacuum, void of external or internal effects, but are unique for each tourist. These influencing factors may include: perceived physical experience elements, perceived human interaction elements, individual characteristics and situational factors. As depicted in Fig. 6.1, it is proposed that external factors will play a diverse and ever-changing role as consumer experiences transpire. Each factor may have a modest or significant impact on the consumer experience components, making each individual tourist's experience distinctively unique.

The framework is based on incorporating both business and consumer perspectives of experience. A destination attempts to connect with a consumer by creating and choreographing experiences for consumers via physical environment dimensions and/or emotional/human interaction dimensions. The purpose of this connection is to foster the customer's awareness or interest in order to create a meaningful and fulfilling consumption/transaction experience that will influence perceived consumption values, satisfaction and repeat patronage. A customer experience is the multidimensional takeaway impression or outcome, based on the customer's willingness and capacity to be affected and influenced by physical and/or human interaction dimensions, and to be formed by people's encounters with products, services and businesses influencing consumption values (emotive and cognitive), satisfaction and repeat patronage in relation to the destination.

Ordinary–extraordinary experience

The first (ordinary–extraordinary) axis of experience represents the range of experiences from ordinary to extraordinary. Customer experiences are events or occurrences that happen outside the daily routine experience.
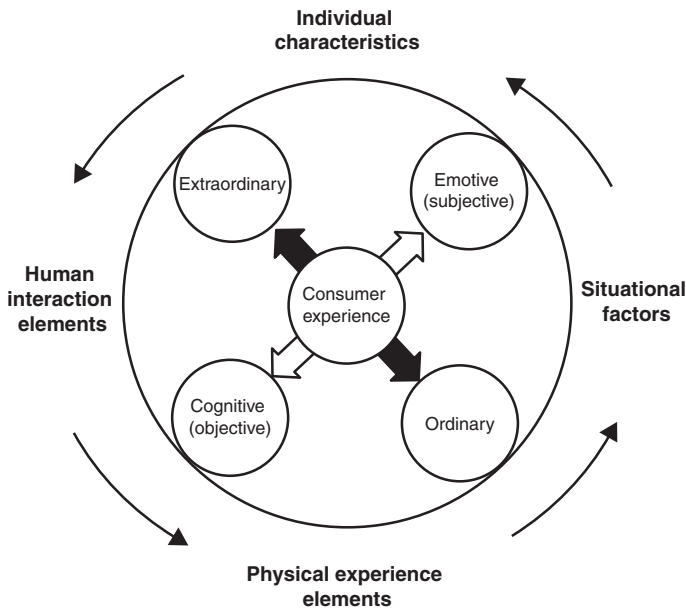
Fig. 6.1. A framework for tourism experiences.

At the highest level, they are peak or transformative experiences (Smith, 1978; Cohen, 1979). The qualitative work of Arnould and Price (1993) on a river rafting trip described deeply intense and positive experiences that provide life with meaning and perspective, or what they call 'extraordinary experiences.' Their work has inspired other researchers to move away from mere experiences to a new realm of 'immersed', 'optimal', 'extraordinary', or 'flow' experiences. These four analogous terms perhaps were conceptualized originally by the work of Maslow (1964), in which he referred to peak experiences as similar to religious ecstasy, and the use of such terms has gained momentum as researchers and marketers have run with the idea that consumers want intense, positive experiences that ultimately provide meaning and perspective to their lives (Arnould and Price, 1993). Abrahams (1986) further developed this concept, and differentiated between ordinary experience (i.e. everyday life, routines and acceptance of events) and extraordinary experience (i.e. total immersion or flow experience). Carù and Cova (2003) consistently, differentiated between ordinary and extraordinary experiences, with the latter being the desired goal of those in the hospitality and tourist industry.

Many researchers have agreed that consumers notice a perceived difference between everyday or routine experiences and leisure or tourism experiences (Boorstin, 1961; Mac-Cannell, 1973; Smith, 1978; Cohen, 1979; Quan and Wang, 2004; Uriely, 2005). The tourism experience includes both peak (extraordinary) and supporting daily experiences, such as sleeping, eating and playing (McCabe, 2002), and can occur on a continuum ranging from ordinary or daily to transformative or epiphanic depending on the product or service (O'Sullivan and Spangler, 1998; Day, 2000; Quan and Wang, 2004). These experiences can range from exciting positive experiences to unpleasant negative experiences. The customer must not only be willing and able to receive an experience, as mentioned above, but the product or service category may also lend itself to certain types of expected and delivered experience dimensions. For example, experience encounters when buying a rental car or taxi service tend to be more product oriented in and of themselves (features and benefits), while taking a cruise vacation is more experience oriented. Therefore, it is proposed that hospitality and tourism experiences range on a continuum between ordinary and extraordinary depending on the product or service. However, as explained later, even ordinary or daily experiences can become peak or transforming experiences if influenced by or combined with appropriate physical experience and/or human interaction factors. For example, a father and daughter taking a walk at home may be an ordinary experience but walking together through one of California's redwood forests may prove to be an extraordinary experience.

Cognitive–emotive experience

The internal response is represented by the second event axis, demonstrating the range of experiences from cognitive (objective) to emotive (subjective) experiences. This component signifies that individuals can initiate the process in which an experience can occur. For example, the flow experiences Csikszentmihalyi (1990) or the extraordinary experiences of Arnould and Price (1993) would not occur if the individual did not intentionally have them in the first place. This does not, however, preclude the notion that an experience can occur by happenstance, but it is postulated that the experience is self-generated and that the consumer can control or choose whether he will have an experience or not (including negative experiences). Consequently, all people are not equally affected by every consumer experience, which contradicts the definition of experiences given by Berry *et al.* (2002) as orchestrated clues that all people detect. To use an example already discussed, during a hotel check-in, it is conceivable that two different customers having nearly the same staged experience can have a different experience in their interpretation and reaction to the same clues. Therefore, it is assumed that consumer experiences are received and absorbed dissimilarly by different people.

Carlson (1997) proposed that an experience can be characterized as a steady flow of thoughts (cognitive) and feelings (emotive) that take place during moments of consciousness regarding experience elements. Carù and Cova (2003) suggested that an experience is an activity containing both cognitive and subjective processes that allow an individual to develop a means to construct reality. Similarly, Oh *et al*. (2007) insisted that hospitality and tourist settings are satiated with experiences that include both cognitive and emotional components. Earlier research investigated the following general types of experiences: the epiphanic experience (Denzin, 1992), the flow experience (Csikszentmihalyi, 1990) and the extraordinary experience (Arnould and Price, 1993). These experiences, whether ordinary or extraordinary, transform lives and contain processes that allow an individual to develop a means to construct reality (Carù and Cova, 2003). Regardless of one's academic field or industrial perspective, experiences employ a unique combination of cognitive and emotive processes (Abrahams, 1986; Csikszentmihalyi, 1990; Denzin, 1992; Arnould and Price, 1993; Carù and Cova, 2003). It is postulated, for example, that a business executive who checks in to a resort hotel for business purposes may cognitively limit the experiences in order to achieve her stay goals. However, the same executive traveling on her honeymoon may cognitively maximize (choose to engage) the experiences owing to the purpose of the trip.

Physical experience and human interaction factors

Hospitality and tourism companies can enhance consumers' experiences through managing physical and human interaction elements. Bitner (1992) argued that environmental and internal responses (cognitive, emotional and physiological) had a direct impact on consumer and employee experiences, resulting in higher levels of satisfaction. Consumer experiences are not necessarily related only to the tangible items usually witnessed in general consumer products, but also can embody the perception formed when consumers coalesce the sensory information (sight, smell, touch, taste, hearing) formed by consumers' encounters with business products and services (Carbone and Haeckel, 1994). These intrinsically emotional and personal experiences, however, are influenced by factors that are out of the control of management (Pullman and Gross, 2004). These factors may include multi-sensory physical experiences, human interactions, cultural backgrounds and personality traits, and other situational factors (Belk, 1975; Hirschman and Holbrook, 1982; Bitner, 1992; Schmitt and Simonson, 1997; Schmitt, 1999).

The work of Domenico and Lynch (2007) entitled *Commercial Home Enterprises* found that participants are not mere bystanders, nor are the physical environment and human interactions static. Rather, the consumer experience is multidimensional and evolving, with often spontaneous interaction between the physical environment dimension and the human dimension consisting of the hosts and guests. In other words, the staged situation or environment involves physical dimensions that affect the five senses of consumers. Bitner (1992) directed organizations to think in terms of environmental dimensions, participant-mediating or internal responses (cognitive, emotional and physiological), and employee and customer behaviours that result in expressing commitment, loyalty, spending money and extending stays. That is, consumers who wilfully involve themselves in positive physical and relational aspects of their consumer experiences are more inclined to engage in positive emotion and behavioural outcomes.

Businesses, in an effort to have an impact on the consumer, stage and enhance the physical environment in order to appeal to the five senses of that consumer and create a physically appropriate environment that meets their marketing objectives. These elements may, for example, include items such as a fresh-smelling hotel environment, warm and welcoming colour schemes, and a properly designed environment that is both practical and visually appealing. Businesses also may enhance human interaction experience elements by training employees and targeting a

specific type of consumer in order to create a socially engaging and appropriate environment. These elements may include employee behaviours such as wearing sharp uniforms, having a good body posture, making eye contact and smiling at customers. Experiences also may be affected by consumer interactions with other guests, which may include the expected behaviour of fellow guests or visitors, respect of personal space or socioeconomic expectations.

Individual characteristics and situational factors

The last two elements, situational factors and individual characteristics, are usually outside the control of the business entity. The consumer experience may vary because not all tourism products and services at a destination are created or performed equally. Consequently, the consumer experience in a destination context is not confined to one type of transaction or response but is affected by the type and stage of consumption experience and also by the characteristics of the individual. Likewise, consumer experiences could conceivably be very different if their reactions to a fast food experience and a luxury cruise ship experience are compared.

Day (2000) and O'Sullivan and Spangler (1998) referred to a transaction or experience spectrum wherein the product/service and the consumer determine the type and degree of consumer experience encountered. This can be due to each consumer's individual characteristics and to situational factors. The situational factors – such as trip-related characteristics in a tourism context – often influence the nature of the trip. These factors include the purpose of trip, travel companions and the nature of destination, all of which influence the traveller's willingness to recognize staged experience elements. Likewise, individual characteristics, such as personality type and sensitivity to the environment, also may influence the traveller's willingness or ability to recognize staged experience elements. Therefore, the hospitality and tourism consumer experience is a multidimensional construct comprising a number of external and internal factors that shape and influence consumer experiences, which can exist only if the participating consumer is willing and able to participate.

Tourism Experience Applications

Destination tourism activities and objects, by their very nature, are experience based. Because the tourist experience occurs within an individual and is a blend of many individual elements, no two individuals will have the same experience because experience elements are interpreted individually. A tourist experience is not necessarily related only to the tangible items usually witnessed in general consumer products; instead, the tourist experience is referred to as the total combination of goods, services and the environment that is purchased and/or experienced (Lewis and Chambers, 2000). It can also embody the perception formed when consumers coalesce the sensory information formed by their encounters with business products and services (Carbone and Haeckel, 1994). These characteristics make tourist experiences distinctively unique and powerful.

As already noted, Domenico and Lynch (2007) found that participants are not mere bystanders, nor are the physical environment and human interactions static. Rather, the tourist experience is multidimensional and evolving, often spontaneous interaction between the physical environment dimension and the human dimension consisting of the hosts and guests. These results are very much in line with Uriely's (2005) description of the tourist experience. His description includes: (i) the distinctiveness of tourism from everyday life; (ii) the tourism hospitality experience, which includes a multiplicity of interacting dimensions; (iii) a shift from statically displayed items to subjective interpretations of physical and human dimensions; and (iv) consumer experiences that tend to be relative and not absolute. As destinations engage tourists on a multiplicity of levels, including emotional, physical, intellectual, spiritual and memorable, it makes sense to focus on these areas and to recognize

that the tourist is an active participant engaged in his or her own production of the consumption experience.

It has been demonstrated above that the consuming tourist is a complex being who, for example, seeks more than good deals but, in preference, to varying degrees, seeks both cognitive and emotive connections through the physical environment and human interactions. In addition, it has been recognized that tourists are actively involved in the production of their own experiences (Domenico and Lynch, 2007; Hosany and Gilbert, 2009). Some researchers have even gone so far as to suggest that the quality of experience is based primarily on the 'intimacies that exist between people at that place, especially those existing between visitors' (Trauer and Ryan, 2005, p. 481) and that the location is secondary. Consequently, the destination provides meanings as a contextual backdrop to the evolving relationships that occur between fellow tourists and indigenous peoples.

Accordingly, destination resources, by their very nature, offer a multitude of environmental and social contexts in which to engage the individual tourist. These encounters, by engaging tourists on a physical and human level, can create an enduring and memorable connection. If these resources are recognized for their potential, and marketed in a positive and respectful manner (in order to preserve the dignity of the destination), then a destination can embark upon a sustainable competitive journey.

The advertising campaigns of two Californian destination marketing organizations, the San Diego Convention & Visitors Bureau's 'Happy Happens' and the Orlando/Orange County Convention & Visitors Bureau's 'Makes Me Smile' (see Figs 6.2 and 6.3) demonstrate how these two destinations provide an environment that creates enduring and memorable consumption experiences. In both campaigns, the message focuses on the personal connections and emotions resulting from the destination's distinct offerings. The visual images show how people being together (e.g. father and son, sisters and brothers, friends) are enjoying the unique features of the destinations. For example, one Orlando Convention & Visitors Bureau (CVB) video clip shows a happy little girl swimming in a pool. The caption reads 'today with dad' and then 'tomorrow with dolphins', the former referring to spending time with family and the latter referring to family time in dolphin encounter at Orlando's SeaWorld or Discovery Cove.

Joe Terzi, interim president and CEO of the San Diego CVB, stated (Polikarpov, 2009):

> Our new branding platform reflects our region's unique ability to elevate our visitors' moods and positive outlook. 'Happy Happens' has the power to deliver greater destination demand as it taps into and delivers on a national trend of what travelers and meeting delegates are looking for in a visitor experience – namely, a positive outlook.

The Orlando CVB also tapped into this theme with its 'Orlando Makes Me Smile' campaign. This marketing effort was designed to utilize the destination environment and interpersonal relationships to encourage memorable moments that may lead to deepened personal relationships for visitors (Martin, 2008).

> 'Orlando Makes Me Smile' is a campaign that is all about the fostering of these relationships and the joyful experiences that can be found in Orlando. The popular

Fig. 6.2. San Diego's 2009 'Happy Happens' campaign image (Used with permission from the San Diego Convention & Visitors Bureau, Inc.).

Fig. 6.3. Orlando's 2009 'Makes Me Smile' campaign image (Used with permission from the Orlando/ Orange County Convention & Visitors Bureau, Inc.).

destination's many attractions and entertainment options bring about the most endearing and universal sign of happiness, the smile, which is the focal point of the campaign. From the first moment of planning an Orlando vacation to the lasting memories that follow, visitors are brought closer to one another.

These two examples provide an excellent demonstration of the understanding of tourist experiences. In both campaigns, the destination provided meaning as the contextual setting for the evolving relationships that occur. This demonstrates the perspective advanced by Trauer and Ryan (2005) that the quality of the consumption experience is in the intimacies between people, followed by the location. In other words, it is the shared consumption experiences between people spending time at a destination in San Diego or Orlando, for

instance, that evolves into the lasting impression. For example, it is not solely the ocean, mountains or Pacific breezes that make Hawaii a worthy destination in and of itself; rather, it is the evolving relationships or personal discoveries that occur while discovering these destination treasures that create memorable and sustainable destination experiences. Consequently, the destination provides meanings as a contextual backdrop to the evolving relationships that occur between fellow tourists and indigenous peoples.

Conclusions and Implications

The purpose of this chapter has been to examine consumption experiences and the role they play in destination marketing. It has

been determined that consumption experiences comprise a complex, multidimensional construct that lends itself to a better understanding of consumer behaviour. The tourism experience is rich in terms of the 'experiencescape' (i.e. physical environment, human interaction, cognition and emotion) and tourists are actively engaged in the production of their own consumption experiences. Having an understanding of this and of how tourists can benefit from emotional connections in particular will allow destination marketing organizations to formulate appropriate marketing strategies (segmentation, positioning and communication) (Hosany and Gilbert, 2009).

The chapter has looked at the composition of consumption experiences and found that they involve both the physical environment and human interaction dimensions. The individual elements may involve the tourist emotionally, physically and intellectually. Interpersonal connections are created within the destination through interaction with locals, and second, relationships and meaning associated with the destination emerge from the nature of the interaction between the visitors and the people at the destination (Trauer and Ryan, 2005). This is particularly true when the interpersonal relationships are meaningful. However, a consumption experience does not just happen because one is at a destination; instead, destinations can only create the environment and the circumstances in which consumers could have an experience.

From a practical standpoint, tourism providers, such as destination marketing organizations, travel agents and tour operators, should attempt to engineer positive encounters through the promotion of positive emotions through creative imagery and promotional videos. It is no longer sufficient to promote destination image alone, especially amid the intense competition among destinations. Therefore, the relationship between consumption experiences and destination marketing organizations is necessary to not only develop and promote the destination but also to recognize the emotionally driven tourist who is interested in finding a destination to discover or to enhance important

relationships. Recent literature has shown a shift from destination image to destination branding (e.g. Trauer and Ryan, 2005), but marketers should also monitor and integrate tourists' consumption experiences into their campaigns. This, in turn, will allow destinations to better meet the needs of tourists, resulting in satisfied guests and intention-to-recommend behaviours.

Directions for Future Research

As noted above, the main objective of this chapter was to examine the concept of consumption experiences and the role they play in tourist destination marketing. Though careful attention was paid to defining the tourist experience, it was assumed that all encountered items carried equal weight in the guests' minds. Further research could be conducted to determine whether these items are indeed equally experience enhancing, and whether the use of a weighting system could be employed in which guests would 'weigh' how important each item is to their experience. For example, do some destination attributes (e.g. endowed versus created resources) lend themselves to more memorable and sustainable destination experiences than others? This would provide important managerial implications as to where to focus limited resources in order to create the most positive destination experiences.

Previous research in the retail and consumer behaviour fields (e.g. Bitner, 1992; Carbone and Haeckel, 1994; Baker et al., 2002) has indicated that there is a direct link between a positive physical environment and friendly human encounters, and customer satisfaction and loyalty. It would be interesting to examine if this link exists in a tourism setting as well. For example, will consumers be more satisfied and loyal if the destination environment is physically appealing and the local citizens generate positive encounters? Intuitively, the answer would be yes, but which factors have the most influence on satisfaction and loyalty?

From a managerial point of view, it would be interesting to investigate destination

marketing managers' perspectives of tourists' stay experiences. Are there differences in what destination marketing managers believe are important guest experiences compared with what the guests say are important stay experiences? Finding potential gaps or incongruences may prove useful for proactive destinations looking to understand and enhance tourist experiences.

Finally, this study makes little mention of the impact of marketing or brand initiatives and brand equity. For example, what impact do brand initiatives have on tourists' experiences? It would be interesting to investigate the impact of well-known brands (e.g. Las Vegas) compared with those of lesser known brands (e.g. Reno) to determine whether tourists perceive their destination stay experiences differently.

References

Abrahams, R.D. (1986) Ordinary and extraordinary experience. In: Turner, V.W. and Bruner, E.M. (eds) *The Anthropology of Experience*. University of Illinois, Urbana, Illinois, pp. 3–30.

Andersson, T.D. (2007) The tourist in the experience economy. *Scandinavian Journal of Hospitality and Tourism* 7, 46–58.

Arnould, E.J. and Price, L.L. (1993) River magic: extraordinary experience and the extended service encounter. *Journal of Consumer Research* 20, 24–45.

Baker, J. (1987) The role of the environment in marketing services: the consumer perspective. In: Czepeil, J.A., Congram, C.A. and Shanahan, J. (eds) *The Services Challenge: Integrating for Competitive Advantage*. American Marketing Association, Chicago, Illinois, pp. 3–30.

Baker, J. (1998) Examining the information value of store environments. In: Sherry, J.F. (ed.) *ServiceScapes – The Concept of Place in Contemporary Markets*. American Marketing Association, Chicago, Illinois, pp. 55–79.

Baker, J., Parasuraman, A., Grewal, D. and Voss, G.B. (2002) The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing* 66, 120–141.

Belk, R.W. (1975) Situational variables and consumer behavior. *Journal of Consumer Research* 2, 157–164.

Berry, L.L., Carbone, L.P. and Haeckel, S.H. (2002) Managing the total customer experience. *MIT Sloan Management Review* 43, 85–89.

Bitner, M.J. (1992) Servicescapes: the impact of physical surroundings on customers and employees. *Journal of Marketing* 56, 57–71.

Boorstin, D.J. (1961) *The Image: A Guide to Pseudo-events in America*. Atheneum, New York.

Carbone, L.P. and Haeckel, S.H. (1994) Engineering customer experiences. *Marketing Management* 3(3), 8–19.

Carlson, R. (1997) *Experienced Cognition*. Lawrence Erlbaum Associates, New York.

Carù, A. and Cova, B. (2003) Revisiting consumption experience – a more humble but complete view of the concept. *Marketing Theory* 3, 267–286.

Cohen, E. (1979) A phenomenology of tourism experiences. *Sociology* 13, 179–201.

Csikszentmihalyi, M. (1990) *Flow – The Psychology of Optimal Experience*. Harper and Row, New York.

Day, G.S. (2000) Managing market relationships. *Journal of Academy of Marketing Science* 28, 24–30.

Denzin, N.K. (1992) *Symbolic Interactionism and Cultural Studies: The Politics of Interpretation*. Blackwell, Cambridge, Massachusetts/Oxford, UK.

Dichter, E. (1960) *The Strategy of Desire*. Doubleday, New York.

Domenico, M.D. and Lynch, P. (2007) Commercial home enterprises: identify, space and setting. In: Lashley, C., Lynch, P. and Morrison, A. (eds) *Hospitality: A Social Lens*. Elsevier, Oxford, UK.

Edgall, S. and Hetherington, K. (1996) Introduction: consumption matters. In: Edgall, S., Hetherington, K. and Warde, A. (eds) *Consumption Matters: The Production and Experience of Consumption*. Blackwell, Oxford, UK, pp. 1–6.

Edgall, S., Hetherington, K. and Warde, A. (eds) (1996) *Consumption Matters: The Production and Experience of Consumption*. Blackwell, Oxford, UK.

Gupta, S. and Vajic, M. (1999) The contextual and dialectical nature of experiences. In: Fitzsimmons, J. and Fitzsimmons, M. (eds) *New Service Development*. Sage, Thousand Oaks, California, pp. 33–51.

Hirsch, P.M. (1972) Processing fads and fashions: an organization-set analysis of cultural industry systems. *American Journal of Sociology* 77, 639–659.

Hirschman, E.C. and Holbrook, M.B. (1982) Hedonic consumption: emerging concepts, methods and propositions. *Journal of Marketing* 48, 92–101.

Hosany, S. and Gilbert, D. (2009) Measuring tourists' emotional experiences toward hedonic holiday destinations. *Journal of Travel Research* 49(3), 1–14.

Jaeger, W. (1945) *Paideia: The Ideals of Greek Culture, Vol. I.* Oxford University Press, New York.

Kaplan, S. (1987) Aesthetics, affect, and cognition. *Environment and Behavior* 19, 3–32.

Knutson, B.J., Beck, J.A., Kim, S.H. and Cha, J. (2006) Identifying the dimensions of the experience construct. *Journal of Hospitality and Leisure Marketing* 15(3), 31–47.

Knutson, B.J., Beck, J.A., Kim, S. and Cha, J. (2009) Identifying the dimensions of the guest's hotel experience. *Cornell Hospitality Quarterly* 50(1), 44–55.

Kotler, P. (1973) Atmospherics as a marketing tool. *Journal of Retailing* 49(4), 48–64.

Lashley, C. (2008) Marketing hospitality and tourism experiences. In: Oh, H. and Pizam, A. (eds) *Handbook of Hospitality Marketing Management*. Elsevier Butterworth-Heinemann, Oxford, UK, pp. 3–31.

Lavidge, R.J. and Steiner, G.A. (1961) A model for predictive measurements of advertising effectiveness. *Journal of Marketing* 25(6), 59–62.

Levy, S.J. (1959) Symbols for sale. *Harvard Business Review* 34, 117–124.

Lewis, R.C. and Chambers, R.E. (2000) *Marketing Leadership in Hospitality*. John Wiley, New York.

MacCannell, D. (1973) Staged authenticity: arrangements of social space in tourist settings. *American Journal of Sociology* 79, 589–603.

Mannell, R.C. (1984) A psychology for leisure research. *Leisure and Society* 7, 13-21.

Martin, B. (2008) *Orlando CVB Reveals 2009 Marketing Campaign "Orlando Makes Me Smile" Campaign Focuses on Memorable Moments in Orlando*. Available at: http://www.orlandoinfo.com/media/corporate/release/08/09campaign.cfm (accessed 14 March 2011).

Maslow, A.H. (1964) *Religions, Values and Peak-Experiences.* Ohio State University Press, Columbus.

Mathwick, C., Malhotra, N. and Rigdon, E. (2001) Experiential value: conceptualization, measurement and application in the catalog and Internet shopping environment. *Journal of Retailing* 77(1), 39–56.

McCabe, S. (2002) The tourist experience and everyday life. In: Dann, G.M.S. (ed.) *The Tourist as a Metaphor of the Social World.* CAB International, Wallingford, pp. 61–75.

McLellan, H. (2000) Experience design. *Cyberpsychology and Behavior* 3, 59–69.

Mehrabian, A. and Russell, J.A. (1974) *An Approach to Environmental Psychology.* Massachusetts Institute of Psychology, Cambridge, Massachusetts.

Merriam-Webster (1993) *Merriam-Webster's Collegiate Dictionary*, 10th edn. Merriam-Webster, Springfield, Massachusetts.

Milliman, R.E. (1986) The influence of background music on the behavior of restaurant patrons. *Journal of Consumer Research* 13, 286–289.

Mossberg, L. (2007) A marketing approach to the tourist experience. *Scandinavian Journal of Hospitality and Tourism* 7, 59–74.

Naylor, G. and Kleiser, S.B. (2002) Exploring the differences in perceptions of satisfaction across lifestyle segments. *Journal of Vacation Marketing* 8, 343–351.

Oh, H., Fiore, A.M. and Jeoung, M. (2007) Measuring experience economy concepts: tourism applications. *Journal of Travel Research* 46, 119–132.

Osgood, C.E., Suci, G.J. and Tannenbaum, P.H. (1957) *The Measurement of Meaning*. University of Illinois Press, Urbana, Illinois.

O'Sullivan, E.L. and Spangler, K.J. (1998) *Experience Marketing – Strategies for the New Millennium*. Venture Publishing, State College, Pennsylvania.

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1985) Conceptual model of service quality and its implications for future research. *Journal of Marketing* 49, 41–50.

Pine, J. and Gilmore, J.H. (1998) Welcome to the experience economy. *Harvard Business Review* 76, 97–105.

Pine, J. and Gilmore, J.H. (1999) *The Experience Economy: Work is Theatre and Every Business a Stage.* Harvard Business School Press, Boston, Massachusetts.

Polikarpov, Y. (2009) Visitors Bureau Lures Tourists to 'Happy' San Diego Brandweek. Available at: http://www.brandweek.com/bw/content_display/news-and-features/automotive-travel/e3ic65aba1d643fc-23c22f06006283f5380 (accessed 14 March 2011).

Pullman, M.E. and Gross, M.A. (2004) Ability of experience design elements to elicit emotions and loyalty behaviors. *Decision Sciences* 35, 551–578.

Quan, S. and Wang, N. (2004) Towards a structural model of the tourist experience: an illustration from food experiences in tourism. *Tourism Management* 25, 297–305.

Ray, A. (2008) *Experiential Art: Marketing Imitating Art Imitating Life*. Available at: http://www.experi-encetheblog.com/2008/05/experiential-art-marketing-imitating.html (accessed 14 March 2011).

Russell, J.A. and Snodgrass, J. (1987) Emotion and the environment. In: Stokols, D. and Altman, I. (eds) *Handbook of Environmental Psychology*. John Wiley, New York, pp. 245–281.

Schmitt, B. (1999) *Experiential Marketing*. Free Press, New York.

Schmitt, B. and Simonson, A. (1997) *Marketing Aesthetics: the Strategic Management of Brands, Identity, and Image*. Free Press, New York.

Schwartz, N. (1990) Feelings as information: informational and motivational functions of affective states. In: Higgins, E.T. and Sorrentino, R.M. (eds) *Handbook of Motivation and Cognition: Foundations of Social Behavior, Vol. 2*. Guilford Press, New York, pp. 527–561.

Sheth, J.N., Newman, B.I. and Gross, B.L. (1991) Why we buy what we buy: a theory of consumption val-ues. *Journal of Business Research* 2, 159–170.

Singer, J.L. (1966) *Daydreaming: An Introduction to the Experimental Study of Inner Experience*. Random House, New York.

Smith, V.L. (1978) *Hosts and Guests*. Sage, London.

Solomon, R.L. and Corbit, J.D. (1974) An opponent-process theory of motivation: temporal dynamics of affect. *Psychological Review* 81, 119–145.

Swanson, G.E. (1978) Travels through inner space: family structure and openness to absorbing experi-ences. *American Journal of Sociology* 83, 890–919.

Thorne, F.C. (1963) The clinical use of peak and nadir experience reports. *Journal of Clinical Psychology* 19, 248–250.

Titz, K. (2007) Experiential consumption: affect – emotions – hedonism. In: Oh, H. and Pizam, A. (eds) *Handbook of Hospitality Marketing Management*. Elsevier Butterworth-Heinemann, Oxford, UK, pp. 324–352.

Trauer, B. and Ryan, C. (2005) Destination image, romance and place experience – an application of intimacy theory in tourism. *Tourism Management* 26, 481–492.

Uriely, N. (2005) The tourist experience. *Annals of Tourism Research* 32, 199–216.

Wang, N. (2002) The tourist as peak consumer. In: Dann, G.M.S. (ed.) *The Tourist as a Metaphor of the Social World*. CAB International, Wallingford, UK, pp. 281–295.

Zajonc, R.B. (1980) Feeling and thinking: preferences need no inferences. *American Psychologist* 35, 151–175.

7   Destination Marketing Research: Issues and Challenges

Muzaffer Uysal, Rich Harrill and Eunju Woo

_____

Introduction

This chapter examines destination marketing research and its attendant issues. It briefly covers the tourism system and phases of travel experience to provide a framework of departure for identifying destination marketing research issues, and then focuses on destination marketing research itself. The chapter concludes by discussing challenges to destination marketing research.

Tourism takes place in destinations, and individuals travel to destinations to visit attractions, to participate in leisure activities and to form vacation experiences resulting from their interactions in the places they visit. Over time, destinations also go through different cycles of development, and consequently the nature of their appeal and their markets may change. Places – whether a city, state, county or region in a given country – may have the desire and marketing goal to become a popular destination. To become such a recognized destination presents a difficult marketing challenge. To maintain a sustained positive image in the minds of visitors may prove even more difficult. Small states and island nations may have to deal with different challenges from those faced by big destinations.

To fully understand the issues that surround destination marketing and research, one needs to examine tourism from a systems point of view. The following section briefly discusses the tourism system, the phases of travel experience and the new value chain. An understanding of the elements of the fully functioning tourism system is a prerequisite for identifying and understanding appropriate and timely research issues and concerns. Such comprehension can enable destination managers to better allocate their limited resources to maintain a sustainable competitive edge in the marketplace.

The Tourism System

Several scholars have proposed models of the tourism system (Leiper, 1979; Mill and Morrison, 1985; Gunn 1988). However, the essence of all those models is that the tourism system consists of an origin and a destination. An origin represents the demand side of tourism, the source of visitors. A destination, on the other hand, refers to the supply side of tourism, part of the system with drawing power – tourism activities meeting the needs of visitors and creating a total vacation experience of the place. Tourists, service providers and tourism attractions are the central aspects of the system. The transportation and information (marketing) components are 'linkages' that enable the tourist to decide where to go, how long to stay and what to do. These

linkages, however, also enable the industry – through promotion, product development and pricing strategies – to directly affect the decisions of prospective customers (Fesenmaier and Uysal, 1990; Uysal, 1998, Sirakaya and Woodside, 2005). The interaction between demand and supply is reciprocal and affects the creation of a total vacation experience in which the simultaneous production and consumption of goods and services take place.

Travellers shape attractions and services by being in the particular destination for some period of time. The amount and quality of time spent at a destination affect one's vacation experience and service encounter greatly. The very existence of tourism and sustained competitiveness depends on the availability of resources and the degree to which these resources are bundled to meet visitor expectations and needs at the destination. The resources that typically attract tourists are numerous and varied in distribution and degree of development, and in the extent to which they are known to the tourist market (Pearce, 1987). On the market side, producers of transport, accommodation, and catering and entertainment services are involved with travel marketing intermediaries such as tour operators and travel agents. On the supply side, leisure and recreational activities at destinations are the concern of diverse tourism suppliers, including local and state agencies, private business owners, tourism destination organizations (DMOs), and the providers of infrastructure and other supporting services of tourism.

The supply side of tourism can be divided into three elements: tourism-oriented products, resident-oriented products and background tourism elements (Jafari, 1982, 1983). Tourism-oriented products include accommodation, food services, transportation, travel agencies and tour operators, recreation and entertainment, and other travel trade services. As tourists extend their stays at destination sites, they may increase their use of resident-oriented products, which include hospitals, bookshops, barber shops, and so forth. When utilizing the products, tourists are also exposed to or experience background tourism elements such as natural, sociocultural and man-made attractions that frequently constitute their main reasons for travel. Therefore, the elements of tourism supply resources are not mutually exclusive, but rather are complementary. Each element of supply resources is of great importance in creating and consuming tourism experiences. To fully understand how supply elements respond to demand, destinations must generate and maintain data and information on the elements of supply resources.

Phases of travel experience

An important explicit and implicit assumption of the fully functioning tourism system and phases of travel experience is that travellers usually go through different phases of decision making as they consider factors likely to influence the vacation decision. At the individual level, the operation of the tourism system must be tied to the different phases of tourism/travel experience. Clawson and Knetsch (1971) provide five phases of a travel experience: pre-trip (planning and information gathering), travel to site, on-site activities, return trip and post-trip (Fig. 7.1). Interactions between the traveller and the service provider (the industry) may occur with each phase of travel. Pre-trip activities may include finding motivation for the trip, searching for trip-relevant information, making pre-trip arrangements, and so on. Next, tourists use some form of transportation en route to the selected travel destination. Often, tourists turn to travel and tourism service providers (e.g. airlines and bus companies) to help them reach their destination. Subsequently, when tourists reach their destinations, they often rely on travel/tourism service providers to supply the accommodation, restaurants, entertainment and encounters of the traveller at the final destination. Then, tourists make their return trip, during which they may interact with travel carriers and personnel. After the travel experience is over and the travellers have returned to their homes, they often reflect upon their trip experiences (Neal *et al.*, 1998). Destination marketers should be aware of the travel experience phases so that they can create value and also provide information and services as needed.
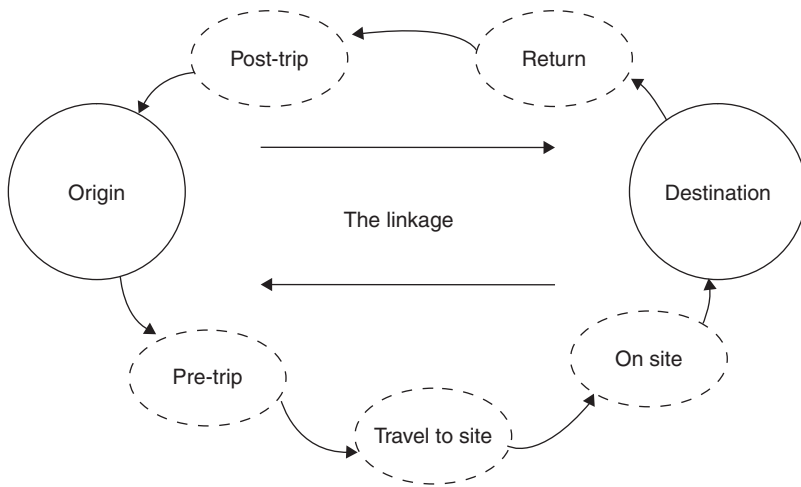
Fig. 7.1. The phases of travel experience.

The new value chain

The different phases of a travel experience also imply that it is not only possible but also feasible to create value-added dimensions at any point of the process. It is important for destinations to know that the phases of the process can act as sources of revenue generation, satisfaction and dissonance. The simultaneous production and consumption of most tourism services adds a unique challenge to the creation of customer values. Creation of customer values in tourism can occur throughout the different phases of the travel experience, ranging from the pre-trip planning and anticipation stage, to on-site experience, to the post-trip reflective stage. Braithwaite (1992) discusses the importance of value creations in relation to information technology. He presents a framework – called the value chain – that stretches across the different subsectors of the travel and tourism industry. Each link on the value chain represents an experience point. The value that each experience or travel phase creates may range from 'high', to 'moderate', to 'low'. Each point has the potential to produce value for the customer. Each offering of service-oriented technology may affect the value that a customer receives at one or more experience points.

The question is then, how do destinations influence the phases or processes of vacation experiences and demand for travel? Marketing and research efforts of destinations by different organizations, including partnership between the public and private sectors, should be geared towards the creation of values to potential visitors at any point of the five phases of vacation experience. Today, the use of information technology can make value creation easier, linking the tourism product and the consumer in real time and, as a consequence, limiting the time devoted to planning and logistics and creating more time for relaxation and leisure. The nature of tourism as a system makes it ideally suited to the increasing applications of information technology in destination marketing (Buhalis, 2004; Mistilis and Daniele, 2005). The new value chain then combines the functioning tourism systems where the linkage takes on a new meaning and becomes 'knowledge facilitators' (Fig. 7.2). As a result of the structural and functional linkage, destination suppliers can have both direct and indirect lines of access to their potential customers. The digital linkage allows destination promoters to have control over the amount and content of information to be delivered at desired intervals (Palmer and McCole, 2000).

As seen from the nature of the tourism system, a destination manager or decision maker has numerous, valuable research items from which to choose. The main challenge is
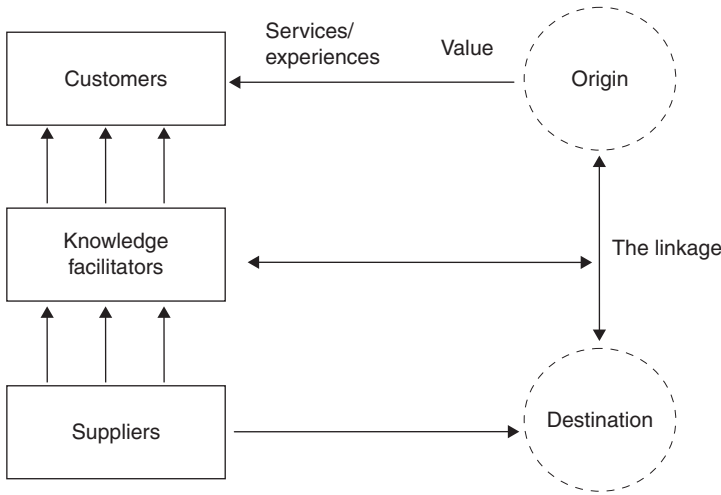
Fig. 7.2. The new value chain in the travel and tourism industry.

to fully understand and appreciate how the tourism system works in relation to sustaining the system's functions and elements.

Destination Marketing Research

We have now discussed the elements of the tourism system and the phases of the travel experience, and can focus more on destination marketing research. The major goal of destination marketing research is to understand the nature of the interaction between visitors and tourism providers at the destination. This interaction naturally represents both the demand and supply sides of tourism. In today's highly competitive leisure travel market, the need for accurate, timely and relevant information is essential for both emerging and established destinations to stay competitive and also increase their share of the leisure travel market (Mihalic, 2000; Enright and Newton, 2004; Kayar and Kozak, 2010). Under resource constraints, destinations will continue to rely on research that will help them to utilize their limited resources efficiently and effectively to meet and serve the ever-changing needs of visitors. As the expectations of visitors change and further specialization occurs in the leisure market, destinations will have to realign themselves with these trends and

changes to provide goods and services that will create extraordinary and memorable experiences for visitors. So destinations have a significant role in stimulating and creating demand, and need to know whether their marketing and management efforts are reaching their target markets and whether their targeted customers are responding in the desired way (Fyall and Leask, 2006). Without research, destinations will not have the necessary knowledge to have meaningful online presence, position themselves strategically and compete effectively in the leisure travel market.

To fully understand destination marketing research, one has to know something about destination marketing. Wahab *et al.* (1976) provided one of the commonly cited definitions of destination marketing in the 1970s. They defined destination marketing as 'the management process through which the National Tourists Organizations and/or tourist enterprises identify their selected tourists, actual and potential, communicate with them to ascertain and influence their wishes, needs, motivations, likes and dislikes, on local, regional, national and international levels and to formulate and adapt their tourist products accordingly in view of achieving optimal tourist's satisfaction thereby fulfilling their objectives' (p. 24). Since then, a significant

number of books have been written on marketing tourism goods and services, and most of them have echoed a similar definition of destination marketing (Gartrell, 1994; Morrison, 2002; Pike, 2008). Destination marketing is then an amalgamation of individual or collective efforts and activities created to form a total experience of a visited place (Murphy *et al*., 2000).

The focus of destination marketing has shifted away from primarily concentrating on a place as a destination to a focus that includes both the setting and how visitor experiences are created and formed with that setting. Thus, destination marketing has become an integral part of developing and retaining the essence of the tourism macro-product (Vukonic, 1997) and a level of sustained competitiveness (Richie and Crouch, 2000). Today's destination marketing and its product are, therefore, not necessarily confined to a physical place as a destination. However, the challenge remains as to how and to what extent tourism marketing can be a tool for destination management (Blumberg, 2005).

Importance of destination marketing research

The activities of destination marketing efforts naturally form the content of research activities to the extent that destinations need to understand the market dynamics and adapt their offerings to market needs and expectations. Understanding the dynamics of the marketplace is essential for managing a destination and creating a total experience of the place. Hence, destination marketing research may cover almost any exploratory effort by any organization to understand the market, promote the place, or enhance and augment the existing tourism goods and services through positioning strategies that support the sustainability of tourism business. The research process also involves collecting data and generating information. Using this intelligence we can answer research questions and identify effective solutions to destination problems and concerns. In today's highly competitive tourism market, destination marketing research is

continuous, requiring constant support from everyone involved; and in an increasingly competitive tourism industry – with newly emerging places as destinations – a key challenge for destination marketers is to blunt, muffle or replace the message of the competition brand and attract the attention of travellers (Pike and Lyan, 2004).

The main goal of destination marketing research, then, is twofold: (i) to increase demand for the destination while maintaining a sustainable competitive edge in the minds of actual and potential visitors; and (ii) to facilitate effective destination management. Thus, the prime function of destination marketing research is that it provides information and intelligence that improve the effectiveness of the decision-making process in the desired direction of destination marketing and management goals and objectives consistent with the overall strategy of the place as a destination. The fully functioning tourism system should be the frame and source of reference from which the research agenda emerges.

The destination marketing research process

A generic research process is often presented and explained in the literature as a linear and sequential. For the sake of simplicity, we follow a process proposed by Destination Marketing Association International (Harrill, 2005) and briefly explain each of the steps involved. The process consists of the following seven steps.

IDENTIFY THE ELEMENTS OF A DESTINATION'S APPEAL   The most important parts of a destination's appeal are those elements that create a deep emotional or psychological response in visitors. For example, many destinations now have identified heritage tourism, cultural tourism and nature-based tourism as potential lucrative markets. In fact, many destination brands use the adjectives 'historic' or 'natural' so frequently that the marketplace has become overcrowded with these brand descriptors. In a highly competitive marketplace, destinations should also evoke emotions

and feelings such as romance, adventure, mystery or spirituality. A destination can carefully combine these elements to produce a total vacation experience and a compelling brand associated with it. However, it is worth emphasizing – great destinations offer great *experiences* that transcend a mere list of attractions and attributes. Destination marketing researchers have a host of both quantitative and qualitative research tools at their disposal to identify destination perceptions and appeals. Destinations must know how their offerings are perceived and to what extent they are valued beyond their physical beauty.

DO AN INVENTORY OF CURRENT DESTINATION OFFERINGS   Asset inventory and evaluation are perhaps the most important (and often overlooked) step in the destination marketing research process. This step allows a destination to identify gaps in what it offers tourists. Often, significant differences exist between the ways a destination views itself and the way a visitor sees it. For example, many communities consider themselves potential tourism destinations based on attractions that appeal only to locals. In addition, a destination might view itself as family oriented, but has few attractions that appeal to families. Also, destinations need to be aware of traditions or histories that may appear exclusionary to some market segments. Communities wishing to capitalize on tourism dollars should realize that, in effect, that they are putting the doormat out for everyone, and they need to constantly monitor the gaps that may exist between what they offer and how their offerings may be viewed and valued.

ASSESS PRODUCT QUALITY AND OVERALL VISITOR EXPERIENCE   The next step in the destination marketing research process is quality control and visitor perceptions. Perhaps the most serious challenge facing tourism worldwide is lack of or confusing signage and interpretation. Many visitors may not know how to get to a destination's attractions, nor do they know what they are looking at once they arrive at the attraction. Simple research tools can be used to assess product quality, such as developing a matrix that rates (i) the development potential, (ii) the marketing potential

and (iii) the economic potential of the asset or attraction. Overall visitor experiences, good or bad, can be effectively evaluated using simple scaled surveys, individual interviews or focus groups. With this basic, external information, a destination can begin an internal discussion about branding and marketing.

DEVELOP OR ENCOURAGE DESIRED ATTRACTIONS AND SUPPORT SERVICES   The steps previously mentioned may lead a destination to develop new attractions or upgrade existing attractions and relevant support services. For example, a destination's attractions might be landscaped and appealing, but are they accessible to visitors of all ages, and do they meet the disability standards required by the relevant legislation (in the USA, the American with Disabilities Act, or ADA)? Based on the aforementioned asset inventory and evaluation, new tourism products might be created, but then a destination must decide where to locate the new product, which generates further questions. Who will benefit from the location of a new tourism product? Who may encounter negative impacts from the location of a new product? Destination officials must then consider appropriate support services at the new location. Like residents, visitors need food, water, parking, rest areas and toilet facilities. It is a common mistake for many destinations to consider marketing before considering when and where the destination is ready for visitors. Destinations should also strive to remove psychological barriers to make them accessible on all fronts.

USE THE MOST EFFECTIVE IMAGE, IDENTITY, OR BRAND   A destination's 'capital' is composed of the values and meanings as expressed in the cultural, social, natural and economic dimensions of a person's life (Gnoth, 2007). From the capital of a destination, destination marketers and researchers attempt to develop the destination's brands. The branding process is essentially a consensus-building process in which a destination – including its residents, businesses and community leaders – identify the most appropriate and appealing image, identity or brand. Ideally, these decisions are made based on previous research about how the destination is perceived by potential

visitors and how this perception matches the attractions offered. The process itself is often undertaken by marketing or branding professionals. This step can be quite contentious, but very satisfying once consensus has been reached. However, all parties must realize that there are no overnight successes in the branding process – it can take up to a decade before a community completely adopts a brand and that brand gains high recognition from potential and repeat visitors. The most common outcomes of the branding process are themes, colours, designs, logos and slogans that form the basis of an integrated marketing campaign.

COMMUNICATE TO PRIORITY TARGET MARKETS   A brand is most effective when it reaches a target market. Market segmentation is necessary to identify those visitors who are most likely to respond to the destination brand and products (Dolnicar, 2004). Without market segmentation research, destinations may miss their target markets. For example, it may be widely assumed that the visitors most likely to visit a destination live in a nearby city. This assumption may be correct, but it is too narrow a geographic scope to guide marketing efforts, and the destination could lose precious market dollars. After investing in market segmentation research, the destination may find that the visitors most likely to visit that destination live in selected suburban communities on the perimeter of the nearby urban area, or even in other states. Other examples of misplaced markets include incorrect assumptions about the media sources and product preferences of potential visitors. Once a detailed visitor profile is developed through market segmentation, planners/providers can design appropriate branding and marketing vehicles to reach these audiences effectively and efficiently, thereby conserving limited budgetary resources.

INTEGRATE TRADITIONAL AND ELECTRONIC PROMOTIONAL TECHNIQUES   Knowing its market through market segmentation research can help a destination select an appropriate mix of traditional and electronic promotional techniques. Social media such as Facebook, LinkedIn and Twitter, which are cost-effective and capable of reaching a diverse audience, have replaced many traditional media, particularly newspapers and magazines (Pan *et al.*, 2007). However, many desirable market segments, for example baby boomers, still prefer to receive information about a destination from print, television and radio. In addition, these traditional media outlets allow for pinpoint targeting, which continues to hold some marketing advantages. Once an appropriate ratio of traditional to social media has been determined, a destination must ensure that a consistent brand image and message is conveyed, no matter which medium it uses. At this point, conversion research and return-on-investment (ROI) can show which media provide the best results.

IMPLEMENT RELATIONSHIP AND DATABASE MARKETING FOR DESTINATIONS   Finally, many destinations invest great sums of money to obtain information that they already have. For example, visitor inquiries are a great source of information about visitors most interested in coming to a destination. As they provide personal information to destinations in exchange for information or bookings, privacy and security are very important to potential visitors and destinations must be extremely careful with this personal data. However, even when gathered with privacy and security, these rich data are often misused by destination researchers. It is a major misconception among US destinations that a ZIP code supplies a great amount of information. Typically, however, many different market segments may live in a single ZIP code, therefore making street address the most desirable available data in that it can be tied to US census data. Today, very accurate geographical information system (GIS) mapping can be used to aid ongoing brand and marketing efforts. Based on the notion that 'birds of feather, flock together', this kind of system can produce geographically and demographically specific data which can be used to identify and target other individuals who may be interested in visiting the same destination. Finally, websites are also important to destinations for both marketing and sales, and in-house website staff are preferable for those destinations that can afford it. Well-designed websites can be used to gather and

disseminate large amounts of data. For many larger destinations, information is available regarding everything from weather to traffic conditions to events, but it must be updated daily. Destination research staff, marketing staff and website managers must work together to collect and disseminate accurate, timely information that can then be used to effectively promote a destination. One result can be a larger market share (Wang and Russo, 2007). In the competitive world of destination marketing, integrated relationship and database management is no longer optional, but necessary.

In practice, researchers may not always follow a sequential process. For example, the time spent on each step varies, and overlap between steps is common. In some cases, researchers may omit steps or backtrack or change the order of the steps. Within each of these broad research steps, destination marketing researchers usually develop a research project topic for which a more detailed and specific set of steps would be outlined to meet the specific objectives of the particular study.

Who does destination marketing research?

Generally speaking, the answer is DMOs. Pike (2008, p. 31) defines a DMO as the entity that is responsible for the marketing of an identifiable destination. In this sense, he intentionally excluded government entities responsible for planning and policy. The range of DMOs is rather extensive and may include four categories: (i) national, provincial and state tourism offices; (ii) regional tourism organizations; (iii) local tourism administrations and associations; and (4) private foundations and business groups. The roles and levels of engagement in marketing and research activities may vary from place to place depending on their size and the markets they may target (Harrill, 2005).

Owing to the fact that most tourist service providers are highly fragmented and operationally small, destinations use marketing firms, consultants and universities to help with their research needs and in implementing their projects. In the USA, some destinations with established Convention and Visitors Bureaux (CVBs), local chambers of commerce and other DMOs also conduct in-house research. The availability of funding, availability of secondary data and the level of institutional support, either independently or collectively, seems to dictate the nature and type of research projects to be funded and completed by the different types of tourism entities.

In the USA, CVBs and state tourism offices have historically played a significant role in destination marketing research. Their research activities have covered such areas as visitor profile studies, conversion studies and tourism impact studies, with all of this involved in tracking and monitoring tourist activities and disseminating information through welcome and visitor information centres (Perdue and Pitegoff, 1990). Almost every destination now has an online presence with varying capabilities to promote its respective locations, share information with actual and potential or interested visitors, and create and distribute intelligence (Gretzel *et al.*, 2006).

Destination marketing research areas

The scope of destination marketing research areas is broad and varies from place to place depending on the economic significance of the tourism business, level of tourism development and institutional support for tourism in the community. The rest of this section briefly covers selected areas of destination marketing research, and Table 7.1 provides a list of possible research areas in five general categories. These categories, neither necessarily mutually exclusive nor exhaustive in their coverage, consist of five broad research domains: (i) visitor information; (ii) behavioural information; (iii) product development, marketing and management information; (iv) consequences of travel behaviour information; and (v) policy- and investment-related information.

The first research category – the visitor information category, usually involves generation of information on the socio-demographic characteristics of visitors. This

Table 7.1. Examples of destination marketing and management research areas.[a]

Visitor information	Age, Gender, Marital status, Level of education, Occupation, Household income or individual income, Cultural subgroup, Ethnicity, Social class, Country of origin, Time budgets, Family life stage, Type of tourist (leisure/business) (domestic/international)
Behaviour information	Expectation, Motivation – pull and push, Interests/preferences/benefits sought, Preferences, Satisfaction, Loyalty, Activities/experiences, Destination image formation, Destination quality, Demand behaviour – types of demand for attractions, Lodging preference, Perception/Knowledge of risk and safety of destination, Destination choice process, Vacation decision making, Previous experiences/awareness/familiarity, Importance of destination attributes, Perceived competitive advantages, Market segmentation, Behavioural intentions, Complaints, Consumer dissonance, Tourist attitudes/involvement, Types of destinations, Information resources, Travel-related expenditure, Psychological influences, Barriers to travel and participation, Spatial travel flows, Types of visitors (leisure/business travellers), Constraints and obstacles, Modes of travel, Quality of vacation experience
Product development, marketing and management information	Destination product development, Product planning and development, Destination marketing mix, Competitiveness, Attractiveness, Benchmarking, Crisis management, Capacity management, DMOs (destination management organizations), CVBs (convention and visitors bureaux), Virtual tourism destination organizations, Welcome centres/visitor information centres, DMS (destination marketing systems, Alliances/collaborations/partnerships between stakeholders – private and public sectors, Role of electronic media in market development (Internet, websites, travel blogs), Destination marketing programmes, campaigns, Brand/image identity, building and positioning process, Environmental resources management/sustainability (natural and cultural), Building social capital, Conversion studies, Promotion/advertising, Destination personality, Destination accessibility and amenities, Destination efficiency, Destination strategy, Destination life cycle, Destination potential, Destination country profile analysis, Destination policy, Image of intermediaries (tour operators/travel agents), Dispersion of supply resources, Use of supply resources, Quality of community life
Consequences of travel behaviour information	Cultural impacts, Physical impacts, Economic impacts, Environmental and ecological impacts, Monitoring research, Resident attitudes and perceptions, Destination marketing evaluation, Image and brand measurement, Brand effectiveness evaluation, Brand strategy and tracking, Rebranding/re-imaging post-disaster, Critical success factors, Competitive methods and strategies, Managing crisis, Post-evaluation of disaster management, Advertising effect tracking, Destination success factors, Quality of life in destination
Policy and investment related information	Policy development research, Return on investment, Investment and capital budget decisions, Conversion studies, Future issues/challenges

[a]Note that categories and items are not necessary mutually exclusive, nor exhaustive in their coverage. The table simply provides a list of commonly used research topics in destination marketing/management research.

type of information is collected from participants (individuals or groups) regarding age, gender, marital status, level of education, occupation, household income or individual income, ethnicity, social class, origin, time budgets and family life stage. Researchers use the information generated from such variables to profile, describe and understand the demo-graphic composition of the market. Descriptive demographic information, along with behavioural information, is almost always used. Nearly every data collection instrument and research plan should include questions that would yield visitor information.

The second category of information covers research that provides data on visitor

behaviour and quality of vacation experience. A wide range of research domains could help destinations understand the travel behaviour of visitors. This category may include such areas as expectation, motivation, interests/preferences/benefits sought, satisfaction, loyalty, activities/experiences, destination image, service perception, types of demand for attractions, lodging preferences, safety of destinations, the destination choice process, vacation decision making, awareness/familiarity, the importance of destination attributes, perceived competitiveness, market identification and segmentation, behavioural intentions, complaints, consumer dissonance, tourist attitudes/involvement, information resources, travel-related expenditure behaviour, psychological influences, barriers to travel and participation, spatial travel flows, constraints and obstacles, and modes of travel.

These two categories of research domain mostly reflect the demand side of tourism. The third category – the product development, marketing and management research domain – is usually a research attempt to respond to the demand side of tourism from the perspective of the supply side (providers) of tourism. This category of research mostly includes areas such as product development, product planning, destination marketing mix, competitiveness and attractiveness measures, benchmarking, crisis management, capacity and use management, welcome centre/ visitor information centre research, destination marketing programmes, brand/image identity building and the positioning process, promotion/advertising, destination accessibility and amenities, destination efficiency, the destination strategy and life cycle, dispersion of supply resources, use of supply resources and the like.

The fourth category of research focuses on the consequences of travel behaviour. This area of research usually stems from the interaction of demand and supply elements. Research may be conducted on different types of impacts of tourism and its resultant activities (cultural, physical and economic impacts, and environmental and ecological impacts), monitoring research, resident attitudes and perceptions, destination marketing evaluation, image and brand measurement, brand effectiveness evaluation, brand strategy and

tracking, rebranding/re-imaging post-disaster, critical success factors, competitive methods and strategies, managing crises, post-evaluation of disaster management, quality of life and so on.

The fifth research category covers such research areas as policy development, return on investment, capital budget decisions, conversion studies, the effects of tax policies and regulations, and future plans and challenges.

The use of research methods – whether they be quantitative, qualitative or hybrid – to examine issues surrounding destinations is also a function of the nature of the research problems and the topic in hand. Researchers in destination marketing research need to develop an eclectic attitude towards competing techniques and tools for generating and disseminating knowledge (Uysal, 2004), that is, using what works for a research issue, not what is fashionable. Demand-oriented research of general visitor and behaviour information may necessitate the use of survey research (cross-sectional or longitudinal) with appropriate data collection devices such as interviews, focus groups and online surveys. Supply-oriented research may utilize different data-generating devices using focus groups, a case study approach, Delphi methods and management science techniques. The challenge for the researcher is to choose the best method(s) to conduct the planned research to meet the goals of the study and generate solutions to solve destination problems and concerns.

Conclusions and Destination Marketing Research Challenges

Tourism as a system has long been recognized and studied by researchers who represent different disciplines. The study of tourism is complex and finds itself positioned at the intersection of many different areas of research. Among its many components, tourism research is studied from the perspectives of political, sociological, psychological, ecological, managerial and planning to gain a full understanding of its meanings and implications. When first looking at destination marketing research, one may be drawn to the sociologi-

cal and psychological reasoning behind travel behaviour. This is an important aspect of destination marketing research: to understand the needs and expectations of actual and potential visitors, and to understand how well destinations can create an environment conducive to the creation of a total experience of the place as a destination and can also respond appropriately to the specific needs and expectations of visitors. This type of destination marketing research can also help in discovering trends in and attractive aspects of travel to different market groups. Destinations certainly need in-depth information on visitors and their travel behaviour.

However, in studying travel behaviour, destination marketing researchers are only tackling the demand side of tourism. Although it is vital to understand tourists and what motivates them to travel to different destinations, those within the industry cannot implement changes to their practices without a full understanding of the destination environment in which they operate. Tourism is affected by the political and cultural climate, the ecological environment, managerial practices, and the destination's ability and consistency in planning; but it, in turn, affects those aspects. Without thorough research, those in decision-making positions will not completely understand the fully functioning tourism system. Their decisions may be faulty and may upset the future of a specific destination or region. Also, as tourism to a destination increases, the vitality of that place becomes threatened. Without proper planning and market alignment research, tourism to that area may permanently damage the destination environment and its quality of life. This also could affect future tourism to that destination as the level of attractiveness of the place weakens and the destination loses its competitiveness edge. Destination marketing research should tackle not only demand issues but also supply issues, and the consequences of the interaction between travel and behaviour and the place visited in order to remain sustainable and maintain the desired level of quality of life.

As destination marketing continues to evolve and emerge as an important subfield of tourism studies, so too will destination marketing research emerge as a distinctive focus, drawing on several fields of inquires

that include consumer marketing, psychology and economics. Together, these subjects address three of the most important topics to destination competitiveness: motivations, preferences and loyalty to a destination brand resulting in a significant economic impact. At the same time, destination marketing and branding can be hotly contested by stakeholders representing diverse social, cultural and political groups, and therefore making sociological and cultural studies important topics as well. Theoretical frameworks such as growth machine theory, social exchange theory and critical theory can be used to understand the urban and national context for destination marketing and brand development. Ultimately, however, intense global competition driven by advances in technology, communications and infrastructure will drive destination marketing research, favouring those researchers and topics that explicitly link consumers (tourists) with destinations (products). While the future of destination marketing research must be grounded in strong theoretical foundations, applied research agendas will be crucial to destination success.

Much has been written about tourism and consumer loyalty, but less is known about destination brand loyalty, thus there looms a challenge to understanding the processes by which consumers form brand images – from initial awareness to complete involvement through target marketing. Another challenge for researchers is to understand how brand confirmation and disconfirmation based on consumer psychology can be applied to destination marketing. Because consumer expectations vary greatly, brand promises and positioning must be specific enough to evoke positive psychological and emotional responses in potential visitors but also be sufficiently broad enough to appeal to multiple market segments (Yuksel *et al.*, 2007). Once these markets have been targeted, research into marketing effectiveness is necessary to measure, monitor and improve these campaigns.

Although marketing campaigns can prove costly, new social media have reduced outlays and increased the capacity for participatory marketing in which visitors themselves contribute directly to marketing messages and even perhaps influence branding. For example,

many travel websites enable opportunities for visitors to evaluate amenities, attractions and destinations. As a result, destination marketing researchers are using these new vehicles to collect vast amounts of qualitative data about consumers and products. Encouraging visitors to blog about their motivations and preferences is one way to gather information about brand image and loyalty. There are a growing number of travel blogs, and more and more of them cater to a wider travel audience and provide useful information. Travel blogs are a collection of travel journals, diaries and photos from around the world. Travellers can upload photos and also share their travel experiences with other bloggers. Blogs provide new ways for individuals to learn about destinations, their products and services from other tourists.

Through these travel blogs, destination marketers not only can gather tourists' authentic opinions about their travel but also advertise their destinations to the virtual communities with blog ads. Moreover, destination marketers can also create their own blogs and motivate travellers to provide their opinions. These blogs offer opportunities for constant measurement and analysis of the results of destination marketing because marketers can continuously track tourists' responses, wants and needs. Also, marketers can monitor the competitive environment of a destination (Pan *et al.*, 2007; Schmallegger and Carson, 2008; Wenger, 2008). Before-and-after blogs and journals can identify gaps in brand image, marketing and development. Positive responses can form the basis of e-marketing campaigns and broadcast on the latest wireless technologies. Collectively, this data can be used to alter a destination's brand in real time, addressing consumers' tastes, wants and needs, and forming the basis for interactive destination branding.

However, marketing is not the end of this iterative 'brand-to-market' process. Visitors may also play an active role in destination development, as marketing research can provide behavioural clues that in turn can guide land use and attraction development. To confirm and fulfil brand promises, extraordinary and memorable vacation destinations must induce high and consistent consumer spending. Hospitality research is also important part of destination marketing research, as consumers must perceive the service offerings of the destination as trustworthy and reliable. Visitor feedback should include amenities such as lodging and food service, but also destination-level services, such as roads, security and health care. Thus, destination marketing research is somewhat distinctive from general tourism studies in that it is *comprehensive, iterative* and *participatory* within social, political and economic contexts.

Finally, owing to intensified competition across geographic scopes and markets, destination marketing research is by nature *collaborative.* Increasingly, public, private and non-profit sectors must act in partnership to establish a unified, integrated brand adopted throughout a community. For example, a university might conduct the initial destination marketing research. Next, a non-profit group might prove instrumental in providing public support for the brand. Then a government agency might promote the brand as official for the destination's economic development purposes. These partnerships also must think 'local-to-global' as many local brands may exist in support of and complementary to a national or regional brand. Also, because of competition, human and fiscal resources for destination marketing research must be shared among many partners and end users. Because destination marketing and management is an economic development tool, public involvement is important not only to support the brand, but also to ensure that the benefits of destination development are shared through all sectors and levels of society.

References

Blumberg, K. (2005) Tourism destination marketing – a tool for destination management? A case study from Nelson/Tasman region, New Zealand, *Asia Pacific Journal of Tourism Research* 10, 45–57.
Braithwaite, R. (1992) Value-chain assessment of the travel experience. *Cornell Hotel and Restaurant Quarterly* 33(5) 41–49.

Buhalis, D. (2004) eAirlines: strategic and tactical use of ICTs in the airline industry. *Information and Management* 41, 805–825.

Clawson, M. and Knetsch, J.L. (1971) *Economics of Outdoor Recreation, of Life Satisfaction*. Johns Hopkins Press, Baltimore, Maryland/London.

Dolnicar, S. (2004) Beyond 'commonsense segmentation': a systematics of segmentation approaches in tourism. *Journal of Travel Research* 42, 244–250.

Enright, M. and Newton, J. (2004) Tourism destination competitiveness: a quantitative approach. *Tourism Management* 25, 777–788.

Fesenmaier, D. and Uysal, M. (1990) The tourism system: levels of economic and human behavior. In: Zeiger, J.B. and Caneday, L.M. (eds.) *Tourism and Leisure: Dynamics and Diversity*. National Recreation and Park Association, Alexandria, Virginia, pp. 27–35.

Fyall, A. and Leask, A. (2006) Destination marketing: future issues – strategic challenges. *Tourism and Hospitality Research* 7, 50–63.

Gartrell, R.B. (1994) *Destination Marketing for Convention and Visitor Bureaus*, 2nd edn. Kendall/Hunt Publising, Dubuque, Iowa.

Gnoth, J. (2007) The structure of destination brands: leveraging values. *Tourism Analysis* 12, 345–358.

Gretzel, U., Fesenmaier, D., Formica, S. and O'Leary, J. (2006) Searching for the future: challenges faced by destination marketing organizations. *Journal of Travel Research* 45, 116–126.

Gunn, C. (1988) *Tourism Planning: Basics, Concepts, Cases*, 3rd edn. Taylor and Francis, Washington, DC.

Harrill, R. (2005) *Fundamentals of Destination Management and Marketing*. IACVB (International Association of Convention and Visitors Bureaus, now Destination Marketing Association International), Washington, DC.

Jafari, J. (1982) The tourism market basket of goods and services: the components and nature of tourism. In: Singh, T.V., Kaur, J. and Singh. D.P. (eds) *Studies in Tourism Wildlife Parks Conservation*. Metropolitan Book Company, New Delhi, pp. 1–12.

Jafari, J. (1983) Understanding the structure of tourism. In: Nabel, E.C. (ed.) *Tourism and Culture: A Comparative Perspective*. University of New Orleans, New Orleans, Louisiana, pp. 65–84.

Kayar, Ç. and Kozak, N. (2010) Measuring destination competitiveness: an application of the travel and tourism competitiveness index (2007). *Journal of Hospitality Marketing and Management* 19, 203–216.

Leiper, N. (1979) The framework of tourism: towards a definition of tourism, tourist, and tourist industry. *Annals of Tourism Research* 6, 390–407.

Mihalic, T. (2000) Environmental management of a tourist destination: a factor of tourism competitiveness. *Tourism Management* 21, 65–78.

Mill, R.C. and Morrison, A.M. (1985) *The Tourism System: An Introductory Text*. Prentice-Hall, Englewood Cliffs, New Jersey.

Mistilis, N. and Daniele, R. (2005) Challenges for competitive strategy in public and private sector partnerships in electronic national tourist destination marketing systems. *Journal of Travel and Tourism Marketing* 17(4), 63–73.

Morrison, A. M. (2002) *Hospitality and Travel Marketing*, 3rd edn. Delmar Thomson Learning, Albany, New York.

Murphy, P., Pritchard, M. and Smith, B. (2000) The destination product and its impact on traveller perceptions. *Tourism Management* 21, 43–52.

Neal, J.D., Sirgy, M.J. and Uysal, M. (1998) The role of satisfaction with leisure travel/tourism services and experience in satisfaction with leisure life and overall life. *Journal of Business Research* 44, 153–163.

Palmer, A. and McCole, P. (2000) The role of electronic commerce in creating virtual tourism destination marketing organizations. *International Journal of Contemporary Hospitality Management* 12, 198–204.

Pan, B., MacLaurin, T. and Crotts, J. (2007) Travel blogs and the implications for destination marketing. *Journal of Travel Research* 46, 35–45.

Pearce, D.G. (1987) Toward geography of tourism. *Annals of Tourism Research* 6, 245–272.

Perdue, R. and Pitegoff, B. (1990) Methods of accountability research for destination marketing. *Journal of Travel Research* 28(4), 45–49.

Pike, S. (2008) *Destination Marketing: An Integrated Marketing Communication Approach*. Elsevier Butterworth-Heinemann, Burlington, Massachusetts.

Pike, S. and Ryan, C. (2004) Destination positioning analysis through a comparison of cognitive, affective, and conative perceptions. *Journal of Travel Research* 42, 333–342.

Ritchie, J.R.B. and Crouch, G.I. (2000) The competitive destination: a sustainability perspective. *Tourism Management* 21, 1–7.

Schmallegger, D. and Carson, D. (2008) Blogs in tourism: changing approach to information exchange. *Journal of Vacation Marketing* 14, 99–110.

Sirakaya, E. and Woodside, A. (2005) Building and testing theories of decision making by travelers. *Tourism Management* 26, 815–832.

Uysal, M. (1998) The determinants of tourism demand: a theoretical perspective. In: Ioannides, D. and Debbage, K.G. (eds) *The Economic Geography of the Tourist Industry*. Routledge, London, pp. 79–98.

Uysal, M. (2004) Advancement in computing: implications for tourism hospitality. *Scandinavian Journal of Hospitality and Tourism* 4, 208–224.

Vukonic, B. (1997) Selective growth and targeted tourism destinations. In: Wahab, S. and John, J.P. (eds) *Tourism, Development and Growth: The Challenge of Sustainability.* Routledge, London. pp. 95–108.

Wahab, S., Crampon, L.J. and Rothfield, L.M. (1976) *Tourism Marketing*. Tourism International Press, London.

Wang, Y. and Russo, S. (2007) Conceptualizing and evaluating the functions of destination marketing systems. *Journal of Vacation Marketing* 13, 187–203.

Wenger, A. (2008) Analysis of travel bloggers' characteristics and their communication about Austria as a tourism destination. *Journal of Vacation Marketing* 14, 169–176.

Yuksel, E., Sirakaya-Turk, E. and Baloglu, S. (2007) Host image and destination personality. *Tourism Analysis* 12, 433–446.

8 Destination Branding and Positioning

Asli D.A. Tasci

Introduction

A brand is a shortcut for consumers, a symbol that identifies products in a differentiated way; more specifically, it is 'a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers' (American Marketing Association, 2011). Branding is a strategic business choice rooted in ancient times, manifested as such actions as burning (marking) livestock and marking crafts and guilds, the purpose evolving from a mere sign of ownership and protection against stealing, forgery, counterfeiting and fraud, to identification and differentiation with the promise of certain qualities (Keller, 2003). The contemporary marketplace rendered branding a strategic option in many industries, which host almost perfect competition, with multiple suppliers of the same or similar products, thus pushing the limits of those suppliers in attracting and converting consumers. The most strategic way of attracting consumers is considered to be distinguishing a product by branding, thereby differentiating the product among many similar others (Aaker, 2001; Keller, 2003). So, branding has been a focus of attention, especially for tangible consumer product companies aiming to gain a sustainable competitive advantage (Aaker, 2001). Although relatively new, there is an ample amount of academic literature on place branding (including country branding, nation branding, destination branding or smaller level city branding) as well. This has recently resulted in a plethora of terminologies used in the framework of destination management and marketing to confuse avid readers. The framework shown in Fig. 8.1, with the following short discussion, is intended to clarify the picture by organizing the complex relationships among some of the concepts relevant to destination branding.

Different Terminologies of Place Branding

Within the framework of place branding are holistic approaches of nation branding and country branding that aim to create a competitive vision for the future of the nation and country, both of which are rather difficult and complex due to the abstract and uncontrollable nature of the subject matter (Anholt, 2005). Increased economic competition among countries resulted in their need to brand themselves, especially in the domains of exports, direct foreign investment and tourism (Kotler *et al.*, 1993; Anholt, 2002, 2005; Kotler and Gertner, 2002). Depending on their competitive advantages, nations or
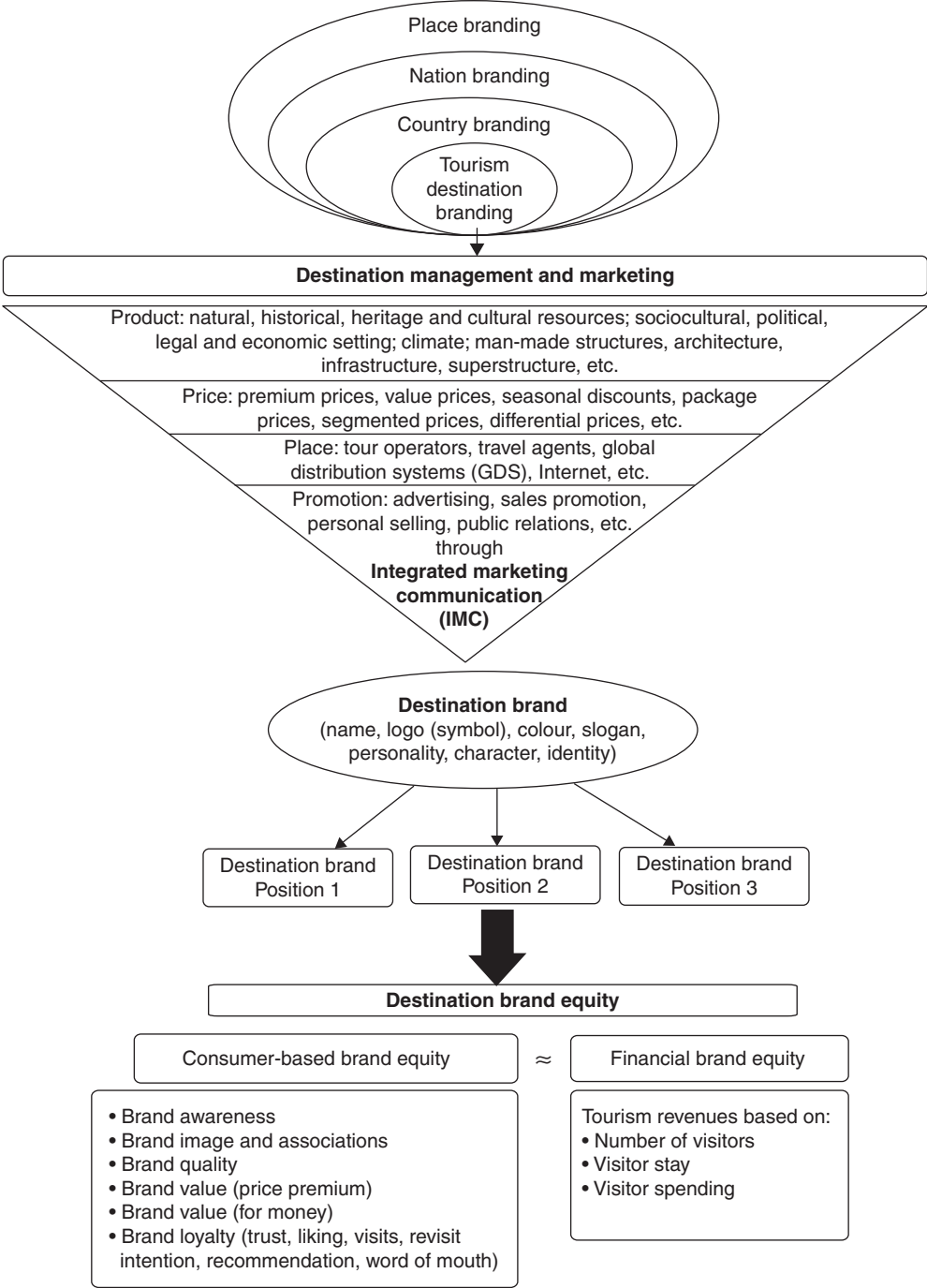
Fig. 8.1. A framework of concepts relevant to place branding.

countries focus on one or more of these dimensions, which are, indeed, complementary and interdependent, and therefore need to be handled in such a manner that they reinforce each other. When a nation or country becomes a competitive, unique and strong brand, it reaches success in exports, direct foreign investment and tourism (Kotler and Gertner, 2002), hence becoming a producer of superior goods and services and a desirable place for residents, expatriates, immigrants, workforce, visitors, factories, corporate headquarters, new businesses, investors, foreign direct investors and entrepreneurs. Such 'country brands stand for a number of qualities; including power, wealth, and superiority' Anholt (2005, p. 1), which can be acquired from qualities such as music, philosophy, trust, wisdom, beauty and peace. For example, France is known for fashion, Japan for electronics and Germany for its automotive industry.

Tourism destination branding is relatively easier than both nation and country branding because it is more focused on the purpose of increasing tourism revenues, and dealing with more controllable factors through the management and marketing of a destination (Laws, 2002). As tourism became a more promising economic activity, with exponentially increasing economic impact worldwide, more destinations emerged to gain a share from travellers. Many destinations – from villages to countries – recognizing tourism as an important economic activity, have been marketing their assets to diverse tourist markets. The increasing number of tourist destinations, coupled with advances in information technology, and the use of the Internet to inform markets about available destination choices, have accelerated intense competition for the same tourists (Bramwell and Rawding, 1996; Chen and Kerstetter, 1999).

However, except for a few significantly attractive destinations, such as Disneyland or the Grand Canyon, all destinations have some form of natural, historical, cultural or recreational attractions that are substitutable to some extent (Bramwell and Rawding, 1996). Therefore, tourism destination branding has also been realized as a strategic option for destination marketing organizations

(DMOs). In line with a nation's and country's vision of development, destinations are marketed as products with certain mixes of marketing elements, namely the product itself, the price, the place and promotional factors. The ideal result of destination marketing is the provision of a consistent and strong destination brand with a name, logo and colour, which encompasses identity, character and personality directed at one or more target markets, with a distinctive position that translates into strong consumer-based brand equity and, thereby, high tourism revenues. As the main focus of this chapter is on tourism destination branding, the concepts relevant to this level of place branding will be discussed in the following sections.

Different Levels of Destination Branding

Destination branding is already a complex matter to apply and manage, with different levels of destination accentuating this complexity even further. Destinations are geographic locations with resources, attractions, infrastructure, superstructure and facilities that attract people to visit and stay temporarily for diverse reasons (Pike, 2004). A tourism destination can be defined in multiple layers of geographical entities, as illustrated in Fig. 8.2, and these range from small-scale, public or private, operational tourism products such as hotels, restaurants, resorts, or cruise ships, to the bigger scale geographical entities of countries and even multi-country regions or continents with the potential to be global destination brands.

Generally speaking, a bidirectional influence can be expected among destination layers – from the inside out and the outside in, as shown in Fig. 8.2. In other words, the branding of operational-level tourism products such as hotels, restaurants and resorts can both influence and be influenced by the branding of encompassing layers of geographical entities. Therefore, for successful destination branding, there has to be a consistency among branding of these different layers. The bigger the entity, the harder to

Opreational level destination brands
(hotels, restaurants, resorts, cruise ships)

Single-governance local destination brands
(attraction sites, villages, towns, cities,
provinces)

Multi-governance local destination brands
(regions, states, countries)

Global destination brands
(countries, multi-country regions, continents)
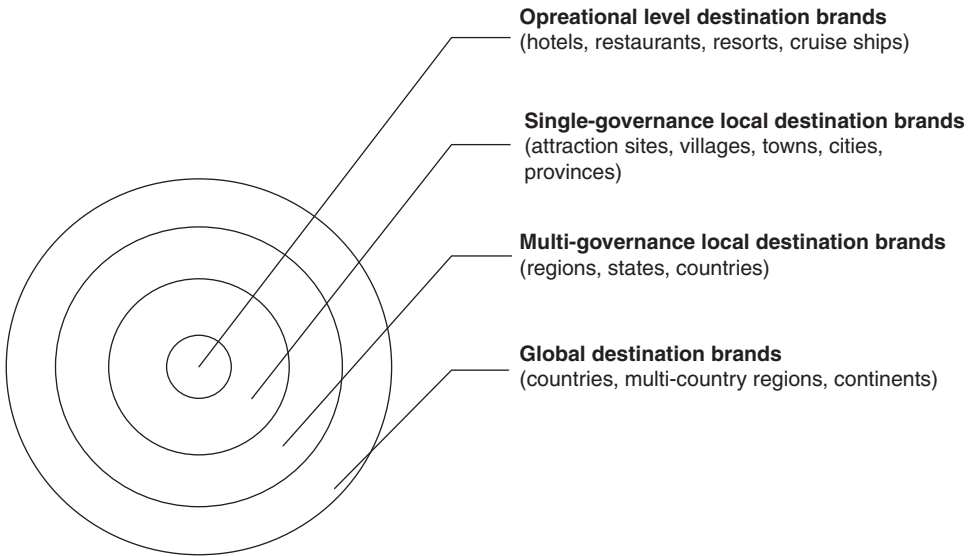
Fig. 8.2.   Destinations defined at multiple layers of geographical entities.

apply branding principles and reach success owing to the complexity of the ingredients of the destination product, its tourism operations and its stakeholders, i.e. all of the various issues involved. When the branding of individual layers is consistent and integrated, the result is assumed to be a synergy, with 'the whole being greater than the sum of its parts'.

Destination Brand Management

A destination as a product to brand is different from tangible consumer products in many ways. To start with, when the destination product is a larger geographical entity comprising a human habitation, its existence starts even in absence of any marketing efforts for branding. So, from the global perspective, countries, along with their names, flags and related symbols, historical and current political relationships, policies, and unique and common features represent global destination brands. As Tasci and Gartner (2007) delineate, marketing issues such as image and branding of a geographical entity starts with capital at hand, including the historical, sociocultural, physical, political, legal

and economic situation at the destination, which are either static and uncontrollable or, to some extent, semi-dynamic and semi-controllable. Destination marketing authorities have to use this capital and gain leverage by applying appropriate strategies in their marketing mixes, particularly in promotions aiming to develop a successful (strategic, different and strong) position in target markets. In this endeavour, some uncontrollable factors, such as news media and movies, can also have an influence on the outcome, especially when they depict negative information about the destination or its residents.

Management of destination brands needs to involve activities of comprehensive research, attraction development, event management, integrated marketing communication (IMC) and continuous monitoring (Kotler and Gertner, 2002; Tasci and Denizci, 2009; Tasci and Gartner, 2009). However, there is no one-fits-all type of branding strategy for destinations to apply and become brands because every destination is unique in its features. Therefore, before the application of any branding activities, extensive research is needed to define subsequent steps. Branding a destination requires more than the mere promotion of attractions. Infrastructure

(transportation, water, electricity and telecommunications networks) and superstructure (the legal and institutional structure of health, safety, security and civil rights, and of environmental, heritage and cultural preservation) have to be in place to ensure the satisfaction of both the basic and higher level human needs that are required for the enjoyment of touristic attractions. If the infrastructure and superstructure are not up to the expected level, no matter how attractive the destination assets and the promotion are, the result of branding is doomed to failure. Besides, significant structures symbolizing a destination (e.g. the Eiffel Tower) and special events and activities (e.g. the 2008 Olympic Games in China) may be needed for effective brand development.

Destination branding is challenging as a result of several factors, including the unique characteristics of the tourism industry: multiple stakeholders that usually lack unity of purpose or authority, the politics involved, the lack of control over all messages about a destination, the lack of monetary and dedicated professional human resources, the amorphous nature of destination products (which have diverse tangible and intangible attributes), the lack of hard and fast ways of measuring the effectiveness of branding, and diverse types of segments and changing market preferences (de Chernatony and Dall'Olmo Riley, 1999; Buhalis, 2000; D'Hauteserre, 2001; Cai, 2002; Jensen and Korneliussen, 2002; Morgan *et al.*, 2002; illiams *et al.*, 2004; Skinner, 2005; Baker, 2007).

Stakeholders in destination branding

Tourism industry organizations are extremely fragmented, dispersed and heterogeneous, and include: local government (at the national, regional, state, county, provincial and municipality level); tourism offices, departments, commissions and convention and visitors bureaus (CVBs); tourism development councils or commissions; chambers of commerce; and public and private suppliers (tour operators, travel agents, attractions, transportation bodies, accommodation, restaurants), associations and organizations of

these suppliers. Apart from all these industry partners, the news media and private citizens are also stakeholders of destination branding, which poses many challenges, as they have different characteristics, interests, abilities, roles, perspectives, values, agendas, resources, actions and reactions concerning the destination branding process (Gnoth, 2002; Klooster *et al.*, 2004). Stakeholder involvement and support in all phases of research, brand idea development, implementation, evaluation and control are necessary for successful destination branding (Morgan *et al.*, 2002; Tasci and Gartner, 2009); however, this collaboration may not be warranted owing to the problem of lack of ownership of the destination brand (Mundt, 2002). Besides having limited money, time and labour resources to contribute to destination branding endeavours, some stakeholders may act disconnectedly and in ignorance of others, as well as engage in friction, unnecessary competition and even hostile attitudes (Gnoth, 2002; Klooster *et al.*, 2004).

Nevertheless, the destination brand is a common good, and because governments are expected to be concerned with the greater good of the society – more so than other stakeholders – and as governments hold the power and control over resources, they can play a significant leader role in collaboration for destination branding (Olins, 2002). Governments need to act as facilitators and to use a bottom-up approach instead of a top-down approach, to not only empower local communities but also to reveal authentic brands truthful to local identities (Go *et al.*, 2003; Klooster *et al.*, 2004). Klooster *et al.* (2004) recommend harnessing the fruits of information technology to connect all stakeholders, including the local communities, using Internet tools such as chat forums, discussion boards, e-mail and websites. Similarly, Tasci and Gartner (2009) provide a comprehensive research framework to develop the information basis for such an authentic and truthful destination brand. In this framework, all relevant stakeholders are researched using appropriate data collection techniques, such as surveys, focus groups, in-depth interviews, online polls of local stakeholders, importance–performance analyses with international and

domestic visitors, and content analyses of current marketing materials and other media to find the most strategic destination brand elements of colour, symbol, slogan, identity, character, personality and position to reveal the highest consumer-based brand equity, and hence financial brand equity.

A very important and instrumental stakeholder is the local community, which plays a dual role in branding, as part of both the supply and demand side of the market (Henderson, 2000; Gnoth, 2002; Klooster *et al*., 2004). Therefore, public diplomacy, in accordance with international relations and foreign policy, is a very important aspect of destination branding (Hart, 2003). The attitude of the public is an important factor that needs to be managed strategically by careful assessment and social engineering when and if necessary. Public diplomacy should be utilized to increase awareness and support among the general public through the news media, training programmes, festivals and conferences. Effective public diplomacy motivates locals to volunteer as destination ambassadors in the end.

Positioning

A vital step in successful destination branding is positioning, namely, establishing and maintaining a favourably distinctive place in the minds of target market segments that sets the destination apart from others (Crompton *et al*., 1992; Echtner and Ritchie, 1993; Gartner, 1993; Alhemoud and Armstrong, 1996; Kotler and Armstrong, 1996; Baloglu and McCleary, 1999; Chen and Kerstetter, 1999; Kotler *et al*., 1999). Thus, the positioning concept is concerned with three issues, market segments, the image of the destination brand in different segments and strong destination brand features, i.e. competitive advantages to emphasize in each segment (Aaker and Shansby, 1982; Kotler *et al*., 1999). Ample studies stress the role of the destination image in positioning destinations in target markets (Calantone *et al*., 1989; Crompton *et al*., 1992; Echtner and Ritchie, 1993; Alhemoud and Armstrong, 1996; Baloglu and McCleary, 1999; Chen and Kerstetter, 1999).

Therefore, the first step of positioning a destination brand is the assessment of the image of destination attributes in current and potential target markets, preferably in comparison with close competitors. This assessment reveals the competitive advantages or core competencies of a destination in different target markets. These are the destination attributes with strong and favourable images and the potential to differentiate the destination from the competition and to satisfy market needs and wants and, thereby, provide benefits in a superior manner. A destination brand, especially in the case of countries, can have multiple positions because a tourism destination usually receives visitors from multiple tourist-generating markets with different characteristics, needs and motivations (Joppe *et al*., 2001). Countries can apply multi-product branding, viz. branding each tourist attraction as a stand-alone brand with its own brand identity targeted for different tourist markets. However, for a long-term brand vision, a multi-product branding strategy needs to be coupled with the parent brand name of the country, all products being associated with this parent brand name. In this strategy, an explicit positioning strategy, which is usually delivered with a catchy slogan, helps to target markets to get a 'mental fix' on the product that may otherwise be amorphous (Lovelock, 1991). Successful positioning provides a destination with a competitive edge, although it can be a failure when the position is similar to that of a stronger competitor, or when it is blurry as a result of trying to be 'all things to all people' or when the image of destination attributes is non-existent or negative (Lovelock, 1991).

Destination differentiation can be based on physical attributes – people, location or image (Kotler *et al*., 1999). The literature on tangible consumer product brands leans on the proposition that brand differentiation cannot be solely based on the objective functions of a product; hence, it must involve the use of subjective and intangible aspects, such as symbols, logos, names and designs (Poiesz, 1989). Destination image researchers, however, have an essentialist approach toward destination differentiation, proposing that destinations can be differentiated by offering

unique benefits that can meet the needs and motivations of target markets better than competitors could (Bramwell and Rawding, 1996; Baloglu and McCleary, 1999; Murphy, 2000; Joppe *et al*., 2001). That is why destination positioning studies have focused on comparing competitors on a number of predominantly cognitive attributes, such as natural resources, accommodation facilities and transportation (Gartner, 1989; Crompton *et al*., 1992; Botha *et al*., 1999; Chen and Uysal, 2002).

Destination position should be desirable, important, relevant, memorable and believable for the target segment; it must be distinct, superior, unique, special and pre-emptive within the competitive set; and it must be deliverable, affordable and profitable for the destination marketers (Kotler *et al*., 1999, pp. 264–265). The position is usually crystallized in a short, clear, meaningful and attractive proposition or slogan directed at the target market. Destination positioning can be based on reasons for the visit (e.g. Cancún, Mexico: 'The meeting place for sun worshipers'), a product class (e.g. Israel: 'If you are looking for an ideal meeting place, here's one that's close to heaven'), users or class of users (e.g. Hong Kong: 'When they've reached the top, send them to the peak' – referring to Victoria Peak – for the incentive travel market), or price value (e.g. 'Malaysia gives more natural value') (Chacko, 1996).

For tourism destinations, positioning on price value may not be a strategic decision because lower prices are usually associated with lower quality. Also, when price is the defining factor for a travel decision, then the destination of concern is a commodity rather than a strong brand. The cheaper destinations usually get more visitors. However, large visitor numbers are not desirable for sustainable tourism owing to the potential pressure on environmental or sociocultural carrying capacity. Malaysia effectively overcame this obstacle by connecting price value with natural attractions: 'Malaysia gives more natural value' (Chacko, 1996). Another positioning option, that of positioning against competition, may involve aggressive tactics of attacks on close competitors (Chacko, 1996), and so may not be a strategic option for destination branding, especially considering the future co-branding potential with those competitors.

Promotion

Promotion is significantly important in establishing, maintaining, reinforcing and changing a destination brand and its position(s) because promotional efforts represent the destination until the actual visitation takes place (Gunn, 1972; Hunt, 1975; Goodrich, 1978; Reilly, 1990; Bojanic, 1991; Fakeye and Crompton, 1991; MacKay and Fesenmaier, 1997; Sirakaya and Sonmez, 2000). Promotion plays roles in creating awareness, generating interest and stimulating desire, and, ultimately, in resulting in action (Fakeye and Crompton, 1991; Selby and Morgan, 1996; Court and Lupton, 1997; MacKay and Fesenmaier, 1997, 2000). Therefore, a myriad of promotional sources with verbal and visual messages are used in destination branding. The role of advertising, especially the visual aspects, is of utmost importance in destination branding as it represents the actuality of the destination and illustrates the dimensions of the destination (Bojanic, 1991; MacKay and Fesenmaier, 1997, 2000). The promotional materials have to be favourable, but realistic as well, because unrealistic advertising can have adverse effects on visitors' perceptions of the destination brand, or on their satisfaction, when they actually visit the destination, as well as on the sociopsychological state of the residents (Britton, 1979).

In promoting a destination, information sources are more diverse than those of tangible products; they include public relations, lobbying activities, media campaigns, roadshows, tourism fairs, events, celebrity testimonials, international media trips, direct mailing, personal sales, advertising (videos, posters, roadside boards, direct mailing), online advertising (websites, podcasting, photo sharing, travel blogs, newsletters, e-mails), window displays of tour operators and travel agents, brochures of hotels, and co-branding and brand partnerships with other products such as airlines or credit cards. For successful branding, all of these sources have to deliver

unidirectional, concerted and consistent messages about the umbrella brand theme, which can be achieved by using integrated marketing communication (IMC). Thus, the same brand theme, with its colour, logo, slogan, identity, character and personality should permeate the messages coming from all the information sources directed at a target market. The goal of IMC is to influence people's perceptions and behaviours regarding a product by using a strategically planned communication approach (Holm, 2006). Therefore, an IMC approach presents a strategic tool for destination authorities in an endeavour to differentiate and position their brands.

Destination brand monitoring

Destination brands are living entities with high potential to change and evolve over time, just like tangible consumer product brands, if not more so. That is why they have to be managed continuously. They have to be monitored, evaluated, maintained, modified and tailored to fit changes in the environment – changes such as changing consumer tastes, a changed economic situation or new competition – because they are vulnerable to these changes (Baker, 2007; Tasci and Gartner, 2007). One environmental factor in particular that has a dramatic impact on destination brand image, especially at the country level, is a crisis caused by natural or human-caused disasters such as earthquakes and terrorist attacks (Milo and Yoder, 1991; Sonmez *et al.*, 1999). In case these events should occur, an effective crisis management plan has to be in place with an open, honest, consistent, speedy and accurate response to the related stakeholders for the destination brand not to be damaged irreparably.

Application and examples of tourism destination branding

Branding is a trial and error endeavour, and many communities fail and try again until they find the right branding decisions. Oregon Tourism Commission's 'Oregon.

Things Look Different Here.' campaign was launched in 1987 to unify the Oregon Brand by marrying tourism and economic development under the umbrella message that Oregon 'has a unique lifestyle, natural environment, and sense of place'; the plan was 'to attract tourists, entrepreneurs, future workforce, and business investments, and to help market Oregon products both within and beyond Oregon' (Oregon Business Plan.org., 2010). This campaign required all tourism regions supported by the state's lottery funds to use in their travel advertising materials the same Brand Oregon 'look' developed by the Tourism Commission and its advertising agency (Wieden + Kennedy); it also coordinated the state's business development efforts by requiring use of the same Brand Oregon look in all state-supported business development materials (Oregon Business Plan.org., 2010). Brand Oregon campaign messages aimed to communicate the 'high quality of life, excellent workforce capacities, competitive business climate and superior products and services' of the state and to portray Oregon as 'a destination for visitors, a desired site for business investment and relocation, a great place to live for current residents and the future workforce, and a producer of high quality goods and services' (Oregon Business Plan.org., 2010).

This 'top-down' or autocratic approach resulted in resistance from the tourism regions to using the Brand Oregon 'look' in travel advertising materials. It taught the authorities that successful branding can be facilitated by: (i) developing marketing messages that build on core destination values that include community pride, environmental stewardship, progressive thinking, and innovation and quality; (ii) providing data, guidelines and resources to the private sector, to businesses or to regional tourism marketers – rather than by forcing a branding campaign with rules and regulations that can be perceived as restrictive and bureaucratic; (iii) staying the course to achieve success in establishing brand name recognition, awareness and image development, rather than making changes frequently; and (iv) coordinating local initiatives and programmes rather than enforcing them, and acquiring

reasonable funding and commitment from a variety of stakeholders (Curtis, 2001; Oregon Business Plan.org., 2010).

In the case of countries, every country has a name and cannot change that for the sake of branding, although country name changes have occurred (e.g. Sri Lanka was formerly known as Ceylon, and Myanmar as Burma). The name of a place, especially in case of a country, evokes certain images in people's minds, and so can be expected to amount to the destination brand (Laws, 2002). However, a strong destination brand is more than just a name. A destination brand can be defined as a place perceived with certain identifiers – such as name, logo (symbol), colour and slogan – that distinguish it in the minds of consumers as having a certain character, personality and identity that promise pleasurable and memorable experiences. Strong destination brands provide functional, emotional, economic and psychological values and benefits to consumers; thus, there exist meaningful, strong, effective and lasting bonds and relationships between the destination brand and its consumers.

To create consumer awareness and liking, visual symbols or logos are used to stand for destination brands. In the case of multiple brand positions, an umbrella logo and slogan, and different positions (with different logos and slogans) coherent with the umbrella brand, can be used. As most destinations use consulting companies that do not reveal the phases of destination brand development, it is usually not known how colours, symbols, slogans and features are defined for a specific destination brand theme. Only a few studies have investigated these aspects of destination branding. For example, in applying the steps of a strategic destination brand development research process, Gartner *et al*. (2007) found that different colours, symbols, attributes and personalities stand out for Macau SAR, China as a tourist destination in the minds of the supply and demand side of the tourism industry in Macau.

Destination brand logos

Some examples of country brand logos are provided in Fig. 8.3. Some countries use the colour of their flags; in fact, some use their flags as the destination brand symbol or logo (e.g. Britain, Sweden and the USA). Some chose culturally significant symbols, such as the red dragon symbol of the Hong Kong SAR, China. Some prefer displaying attraction assets, such as sun and nature (e.g. Spain, Ecuador, Poland and Australia). Some destinations already have a recognizable and readily available symbol with potential for use in destination brand logos (e.g. Australia's Sydney Opera House or Kangaroo) to highlight the potential experience. Yet other countries prefer abstract symbols, such as the water colour symbol of Brazil.

Some destinations end up using the same symbol, either accidentally or purposely. Both Holland (the Netherlands) and Turkey use the symbol of tulip. The tulip's motherland was historically Turkey; in fact, an era of the Ottoman Empire, between 1718 and 1730, was named as the Tulip Era owing to the ubiquitous use of tulip figures in arts and crafts during this period. It is speculated that the Dutch authorities who visited Turkey took some tulip bulbs back home, and that

Fig. 8.3. Examples of some country brand logos and slogans, taken from diverse information sources.

Dutch tulip growers later turned this plant into an important economic commodity by scientifically improving the tulip species over the centuries. Today, Holland is known globally for its tulips, so that country's use of a tulip figure as its brand logo seems only rational. However, Turkey has also been consistently using the same symbol, trying to reclaim itself as the motherland of tulips. This can be seen as a good strategy from one perspective, although it may also be viewed as a waste of scarce marketing resources to regain something that has been long lost, and as doomed to fail eventually.

Destination brand slogans

As can be seen from Fig. 8.3, some country brand logos come with a brand slogan (e.g. Brazil's 'Sensacional!' – Sensational). The brand slogan delivers the position of the destination brand, therefore has to deliver a meaning that is clearly understood by the target market(s). Some examples of destination brand slogans are provided in Table 8.1. Uniqueness and difference are prerequisites in destination branding, but they are not warranted just by articulating them in slogans or messages. Brand slogans have to deliver clear messages as to how a destination is unique and different. A few destinations do still use these elusive concepts in their brand slogans (e.g. 'Uniquely Singapore' and 'Australia. A different light'). However, these words are used so often that they are now denuded of any special connotations for any target markets.

Furthermore, because destinations attract multiple tourist markets with different expectations and characteristics, they use different slogans for different target markets. For example, Turkey had a general brand slogan in 2008 that said 'Turkey, open for everyone!'; but in 2009, it used different slogans for different markets as listed below:

> 'What is your next Turkey?' for Israel
> 'Live your dreams' for the Middle East
> 'It's glamour of European and Asian variety. It's Turkey.' for the Far East
> 'Unlimited Turkey' for the USA
> 'Cradle of civilizations, center of love, dreamland' for Russia
> 'Unforgettable' for Germany and Austria, with the sub-slogan 'Turkey...... my Holiday.' in visuals

Destination brand identity, character and personality

Consistent communication of distinctive logos, symbols, colours, features and slogans to target markets through IMC results in a certain brand image, identity, character and personality in the minds of target markets; namely, the identity, character and personality that the destination brand would have if it were a human being (Keller, 1993; Aaker, 1997). The sociodemographic and psychographic characteristics of a brand – characteristics such as age, gender, personality and religion, as if the brand were a person, as well as brand personality reflecting the 'set of human characteristics' (Aaker, 1997, p. 347), such as, stable, dependable, expert, friendly, etc., represent the success of destination branding. Brand personality, in terms of the perceptions of consumers, service providers and residents, of the brand traits in delivering promised experiences, is considered to be important. It is postulated that this personality enhances brand equity by creating unique and favourable associations in consumer memory (Keller, 1993), and a strong brand personality can lead to strong emotional ties between consumers and a brand (Fournier, 1998), thereby potentially affecting consumption decisions (Laurent and Kapferer, 1985).

Benefits of Strong Destination Brands

A brand represents a network of positive meanings to consumers. A successful destination brand differentiates products, represents a promise of value, quality, trust and assurance, evokes anticipation, expectation and emotions, incites beliefs, prompts behaviours, and reduces costs and perceived risk for consumers (Kotler and Gertner, 2002; Morgan et al., 2002; Williams et al., 2004; Blain et al., 2005). Brands can be expected to play a more significant role in tourism consumption owing to their potential to offset several risks that can be perceived with travel products. A tourist product may not perform at the level of expectations

Table 8.1. Slogans used by different countries and their significance.

Region	Country slogans	Significance
Asia	'Uniquely Singapore'	No specific message
	'Malaysia – Truly Asia'	Geographical significance
	'Incredible India'	
	'Dynamic Korea'	
	'Naturally Nepal'	
	'Wow Philippines'	No specific message
	'Thailand – Happiness on Earth'	
	'Vietnam – The Hidden Charm'	
Asia Pacific	'Maldives – The sunny side of life'	
	'Samoa – The treasured island of the South Pacific'	Geographical significance
	Australia –'So where the bloody hell are you?'	Humour, fun
USA	'Ohio – so much to discover'	Everything for all
	'Arizona – Grand Canyon state'	Specific and focused
	'Alaska B4UDIE'	
Europe	'UK OK'	
	'Spain – Everything Under the Sun'	
	'Your own Ireland'	
	'Croatia – The Mediterranean as it once was'	Geographical significance
	'Latvia – Land that Sings'	
	'Hungary – Talent for entertaining'	
	'Panama – The Road Less Traveled'	
South America	'Jamaica – One Love'	Fun
	'Nicaragua – A country with heart'	
	'Dominica – The Nature Island of the Caribbean'	Geographical significance
	'Grenada – Spice of the Caribbean'	Geographical significance
	'Uruguay Natural'	
Africa	'Ethiopia – 13 Months of Sunshine'	
	'Zambia – Experience the Real Africa'	Geographical significance
	'Rwanda – Discover a New African Dawn'	Geographical significance
	'Tanzania – Authentic Africa'	Geographical significance
	'Magical Kenya'	
	'Kenya – creation's most beautiful destinations. All in one country'	Everything for all
	'South Africa – It is possible'	

(functional risk), thus leading to financial and time risks, and even the potential risks of harming a tourist's physical, social and psychological well-being (physical risk, social risk, and psychological risk). Because brands signal quality, they reduce these perceived risks and reassure the consumer about satisfaction (Blain *et al.*, 2005).

Tasci and Gartner (2009) differentiate between a successful destination brand and well-known or popular places receiving large numbers of tourists for reasons such as cheap prices, the convenience of close distance, a more favourable climate and ancestral roots. They assert that a successful destination brand exists 'when visitation of large number of people is induced by a positive relationship with it because it provides values not found in other places' (p. 154). A successful destination brand is manifested in a long-term memorable bond or an emotional link between consumers and the destination. In other words, the consumer develops topophilia (a love of place), in this case an

affective bond – mental, emotional and cognitive ties to a destination (Rossides, 2010).

The meanings that brands deliver to consumers are crystallized as consumer-based brand equity for marketers, viz. the total of meanings of a brand for consumers, the value of a brand, based on the level of strong and positive image and associations, name awareness and familiarity, high quality, value and loyalty that it has – which are all interrelated with one another (Aaker, 1991, 1996; Keller, 1993, 2003; Kotler and Armstrong, 1996; Kotler *et al.*, 1999). In a manner similar to that of tangible products, a destination product's brand equity also includes:

1. Awareness and familiarity about the destination.
2. Associations and images comprising knowledge about destination attributes and feelings generated by this knowledge.
3. Quality of service and tangible aspects of the destination.
4. Value in terms of the difference between costs and benefits of visiting the destination.
5. Brand value in terms of price premiums that can be charged for the destination products compared with competitors who have similar products.
6. Loyalty manifested in not only behavioural indicators such as repeat visitation but also in attitudinal indicators such as desire and intention to revisit the destination, and word of mouth and recommendation (Gartner *et al.*, 2007).

Of these brand equity dimensions, brand image has received much attention since the early 1970s – before branding came to the focus of destination marketers (Gunn, 1972; Hunt, 1975; Crompton, 1979; Echtner and Ritchie 1993; Gartner, 1993; Milman and Pizam, 1995; Baloglu and McCleary, 1999; Chen and Kerstetter, 1999; Tasci and Gartner, 2007; Tasci *et al.*, 2007a). The complete brand equity concept, including image and other dimensions, has recently been the focus of scholarly research. Like image, other dimensions of brand equity are also measured using both quantitative surveys with Likert-type scales, as well as with more qualitative methods, such as in-depth interviews and focus groups studies with current and potential

Table 8.2. Sample scales used to measure destination brand equity in Macau SAR, China (adopted from Gartner *et al.*, 2007).

(Image) Macau's …[a]
Variety of natural resources
Scenic beauty
Beaches/water resources
Availability of tourist information
Amount of cultural/heritage attractions
Variety of outdoor activities
Weather conditions
Taste of local cuisine
People's ability to speak in your language
People's friendliness/hospitality
Uniqueness of culture/customs
Shopping opportunities
Exciting features
Nightlife and entertainment opportunities
Modern lifestyle
Overall impression
(Quality) Macau's quality in …[a]
Eateries
Services in restaurants
Accommodation facilities
Services in hotels
Services by tour guides
Local transportation
Services in local transportation
Cleanliness of the environment
(Value) A vacation in Macau is …[b]
Money well spent
Too far from home
More of a hassle than a vacation
Very inexpensive
Good value for money
(Loyalty) Macau is …[b]
A preferred destination for me
The destination for my next vacation
The only vacation destination for me
In my future vacation plans
The destination I recommend to my friends
    and relatives
The destination I least enjoyed
The destination I like more than other places
(Familiarity) Attractions[c]
Senado Square
Ruins of St Paul's
Cathedral
Sam Kai Vui Kun Temple
Lou Kau Mansion
St Lawrence's Church

---

[a]Image and Quality Scales: 1 = Extremely poor, 2 = Very poor, 3 = Poor, 4 = Fair, 5 = Good, 6 = Very good, 7 = Excellent.
[b]Value and Loyalty Scales: 1 = Strongly disagree, 2 = Disagree very much, 3 = Disagree, 4 = Neither agree nor disagree, 5 = Agree, 6 = Agree very much, 7 = Strongly agree.
[c]Familiarity Scale: Visited it, Heard about it, Don't know.

visitors, service providers and residents of a destination (Gartner *et al.*, 2007). Table 8.2 provides details of the sample scales used by Gartner *et al.* (2007) to measure the brand equity of Macau.

Although brand equity is an abstract concept, when it is strong and positive, the result is expected to be high tourism revenues. Therefore, visitation and resultant tourism revenues can be viewed as a proxy for destination brand equity. When a destination becomes successful in branding itself in a domain, this success can also have a 'halo effect' in other domains; in other words, becoming a strong brand in nature tourism can also lead to perception of superior products in natural-resource based industries and sectors such as arts and crafts, agriculture and cuisine. Besides monetary benefits, successful destination branding is expected to result in high morale, national pride and team spirit, as well as high living standards and quality of life for the locals.

Directions for Future Research

There are a few relevant concepts concerning destination branding that need attention from researchers to enhance destination branding theory. One is co-branding, also known as joint branding, composite branding and brand alliance; co-branding is simply two or more brands joining sources to become stronger. It has already been used as a strategic business option for the hospitality industry, and can also be used for destination brand enhancement. Tasci and Denizci (2010) argue, for example, that co-branding between retail brands and hotel brands can enhance the Brand Hong Kong as a strong shopping destination. In addition, co-branding between destinations with similar products, such as Hong Kong, South Korea, Taiwan, Singapore and Thailand, can be a strategy for strengthening both a destination brand and a region brand, which poses several opportunities for future research.

As the factors involved in defining, developing and managing a destination brand are more diverse and versatile than those of a tangible product brands, both a destination brand and its equity are also more fragile than those of tangible product brands. Denizci and Tasci (2010) assert that this weakness of destination brands can be overwhelmed by investing in a very critical element of destination brands: the human component, namely, the labour force in the tourism industry. They suggest that investment in human capital can influence and enhance the strength of a destination's brand equity; thus, they provide a model of relationships between human capital and destination brand equity, along with measurement scales to guide future research to empirically test the proposed relationships.

An important void in the destination branding literature is the influence of current and previous marketing activities on the success level of the destination brand. Without the documentation of such influences, destination branding endeavour would be a not-actually-proven to be useful but a taken-for-granted task. For example, Crompton *et al.* (1992) developed a positioning strategy for the Rio Grande Valley in Texas with a six-stage process. It would be interesting to see if this positioning has caused any change in the Rio Grande Valley brand in their three markets – repeat visitors, first timers, and non-visitors – over a period of almost two decades. Another consideration is that branding a destination through research, development and communications usually results in high marketing-related expenses, which calls for questions related to return on investment (ROI). Tasci and Denizci (2009) suggest a series of brand productivity evaluation techniques, including both quantifiable and unquantifiable brand inputs and brand outputs for DMOs, so that they can determine the return on their branding investments. Displaying the productivity of branding endeavours by numbers can facilitate the optimal allocation of resources in line with objectives and opportunities; this needs to be tackled by future research in order to legitimize the use of scarce resources for destination branding.

Although developing strong destination brands requires empirical studies involving both the supply side and demand side so that

appropriate brand characteristics (such as colour, logo, slogan and personality) can be found, there is a lack of research describing any such endeavour. Gartner *et al*. (2007) demonstrated empirically that these brand characteristics can be different for the demand and supply sides. More studies are needed on these aspects, which calls for greater collaboration between DMOs and academia. There are also other aspects that need attention. For example, Tasci *et al*. (2007b) showed, also empirically, that brand bias is an essential characteristic of destination branding that DMOs need to measure and manage. Also, Tasci *et al*. (2009) argued that even a seemingly unrelated factor, such as a widely used colour for employee uniforms by the hospitality industry at a destination, can have an influence over the destination brand. Hence, several aspects of destination branding remain in the dark and in need of attention from researchers.

Summary and Conclusions

Increased economic competition among countries has resulted in their need for nations to brand themselves, especially in the domains of exports, direct foreign investment and tourism. When a nation or country becomes a competitive, unique and strong brand, it reaches success in exports, direct foreign investment and tourism, and so becomes a producer of superior goods and services and a desirable place for residents, expatriates, immigrants, the workforce, visitors, factories, corporate headquarters, new businesses, investors, foreign direct investors and entrepreneurs. In line with nation and country

branding is tourism destination branding for the purpose of increasing tourism revenues.

Effective management of tourism destination brands involves the activities of comprehensive research, attraction development, event management, integrated marketing communications (IMC) and continuous monitoring. A destination brand can be defined as a place perceived with certain identifiers such as name, logo (symbol), colour and slogan that distinguish it in the minds of consumers as having a certain character, personality and identity that promise pleasurable and memorable experiences. Strong destination brands provide functional, emotional, economic and psychological values and benefits to consumers; thus, there exist meaningful, strong, effective and lasting bonds and relationships between the destination brand and its consumers.

Aside from government agencies, individual firms and organizations, industry associations and non-profit organizations can play important roles in tourism destination branding; however, success is achieved when it is a concerted activity with government playing the leadership role, planning the direction by consulting with all stakeholders, delegating tasks and facilitating actions among stakeholders. Although challenging, destination branding is a strategic option for generating strong brand equity dimensions, including a strong and positive image and associations, name awareness and familiarity, high quality, value and thereby consumer loyalty, which, in the end, translates into higher tourism revenues. Besides the monetary benefits, successful destination branding also results in high morale, national pride, team spirit, and high living standards and quality of life for the locals. Therefore, more research is needed to further develop destination branding theory and practice.

References

Aaker, D.A. (1991) *Managing Brand Equity: Capitalizing on the Value of a Brand Name*. Free Press, New York.

Aaker, D.A. (1996) Measuring brand equity across products and markets. *California Management Review* 38, 102–120.

Aaker, D.A. (2001) *Strategic Marketing Management*, 6th edn. Wiley, New York.

Aaker, D.A. and Shansby, J. (1982) Positioning your product. *Business Horizons* 25, 56–62.

Aaker, J.L. (1997) Dimensions of brand personality. *Journal of Marketing Research* 34, 347–356.

Alhemoud, A. and Armstrong, E. (1996) Image of tourism attractions in Kuwait. *Journal of Travel Research* 34(4), 76–80.

American Marketing Association (2011) Resource Library. Dictionary, Term, brand. Available at: http://www.marketingpower.com/_layouts/Dictionary.aspx?dLetter=B (accessed 15 March 2011).

Anholt, S. (2002) Foreword. *Brand Management* 9, 229–239.

Anholt, S. (2005) *Brand New Justice: How Branding Places and Products Can Help the Developing World*. Elsevier Butterworth-Heinemann, Oxford, UK.

Baker, B. (2007) Total Destination Management: Free Articles. Available at: http://www.destinationbranding.com/articles.html (accessed 15 March 2011).

Baloglu, S. and McCleary, K.W. (1999) U.S. international travelers' images of four Mediterranean destinations: a comparison of visitors and nonvisitors. *Journal of Travel Research* 38, 144–152.

Blain, C., Levy, S.E. and Ritchie, J.R.B. (2005) Destination branding: insights and practices from destination management organizations. *Journal of Travel Research* 43, 328–338.

Bojanic, D.C. (1991) The use of advertising in managing destination image. *Tourism Management* 12, 353–355.

Botha, C., Crompton, J.L. and Kim, S.S. (1999) Developing a revised competitive position for sun/lost city, South Africa. *Journal of Travel Research* 37, 341–352.

Bramwell, B. and Rawding, L. (1996) Tourism marketing images of industrial cities. *Annals of Tourism Research* 23, 201–221.

Britton, R.A. (1979) The image of the third world in tourism marketing. *Annals of Tourism Research* 6, 318–327.

Buhalis, D. (2000) Marketing the competitive destination of the future. *Tourism Management* 21, 97–116.

Cai, L. (2002) Cooperative branding for rural destinations. *Annals of Tourism Research* 29, 720–742.

Calantone, R.J., Di Benedetto, A., Hakam, A. and Bojanic, D.C. (1989) Multiple multinational tourism positioning using correspondence analysis. *Journal of Travel Research* 28(2), 25–32.

Chacko, H.E. (1996) Positioning a tourism destination to gain a competitive edge. *Asia Pacific Journal of Tourism Research* 1(2), 69–75.

Chen, J.S. and Uysal, M. (2002) Market positioning analysis – a hybrid approach. *Annals of Tourism Research* 29, 987–1003.

Chen, P.J. and Kerstetter, D.L. (1999) International students' image of rural Pennsylvania as a travel destination. *Journal of Travel Research* 37, 256–266.

Court, B. and Lupton, R.A. (1997) Customer portfolio development: modeling destination adapters, inactives, and rejecters. *Journal of Travel Research* 36(1), 35–43.

Crompton, J.L. (1979) An assessment of the image of Mexico as a vacation destination and the influence of geographical location upon that image. *Journal of Travel Research* 17(1), 18–23.

Crompton, J.L., Fakeye, P.C. and Lue, C.-C. (1992) Positioning: the example of the Lower Rio Grande Valley in the winter long stay destination market. *Journal of Travel Research* 31(2), 20–26.

Curtis, J. (2001) Branding a state: the evolution of brand Oregon. *Journal of Vacation Marketing* 7, 75–81.

de Chernatony, L. and Dall'Olmo Riley, F. (1999) Experts' views about defining services brands and the principles of services branding. *Journal of Business Research* 46, 181–192.

Denizci, B. and Tasci, A.D.A. (2010) Modeling the commonly-assumed relationship between human capital and brand equity in tourism. *Journal of Hospitality Marketing and Management* 19, 610–628.

D'Hauteserre, A. (2001) Destination branding in a hostile environment. *Journal of Travel Research* 39, 300–307.

Echtner, C.M. and Ritchie, J.R.B (1993) The measurement of destination image: an empirical assessment. *Journal of Travel Research* 31(4), 3–13.

Fakeye, P.C. and Crompton, J.L. (1991) Image differences between prospective, first-time, and repeat visitors to the Lower Rio Grande Valley. *Journal of Travel Research* 30(1), 10–16.

Fournier, S. (1998) Consumers and their brands: developing relationship theory in consumer research. *Journal of Consumer Research* 24, 343–373.

Gartner, W.C. (1989) Tourism image: attribute measurement of state tourism products using multidimensional scaling techniques. *Journal of Travel Research* 28(2), pp. 16–20.

Gartner, W.C. (1993) Image formation process. *Journal of Travel and Tourism Marketing* 2, 191–215.

Gartner, W.C., Tasci, A.D.A. and So, S.I.A. (2007) Branding Macao: an application of strategic branding for destinations. In: Proceedings of the 2nd International Conference on Destination Branding and Marketing: New Advances and Challenges for Practice, 17–19 December 2007, Macao, China, pp. 133–142.

Gnoth, J. (2002) Leveraging export brands through a tourism destination brand. *Brand Management* 9, 262–280.

Go, F.M., Lee, R.M. and Russo, A.P. (2003) E-heritage in the globalizing society: enabling cross-cultural engagement through ICT. *Information Technology and Tourism* 6, 55–68.

Goodrich, J.N. (1978) The relationship between preferences for and perceptions of vacation destinations: application of a choice model. *Journal of Travel Research* 17(2), 8–13.

Gunn, C. (1972) *Vacationscape: Designing Tourist Regions*. Bureau of Business Research, University of Texas, Austin, Texas.

Hart, S. (2003) *Marketing Changes*. Thomson, London.

Henderson, J.C. (2000) Selling places: the new Asia–Singapore brand. In: Robinson, M., Evans, N., Long, P., Sharpley, R. and Swarbrooke, J. (eds) *Management, Marketing and the Political Economy of Travel and Tourism*. Centre for Travel and Tourism, Sunderland, UK, pp. 207–218.

Holm, O. (2006) Integrated marketing communication: from tactics to strategy. *Corporate Communications* 11, 23–33.

Hunt, J.D. (1975) Image as a factor in tourist development. *Journal of Travel Research* 13(3), 1–7.

Jensen, O. and Korneliussen, T. (2002) Discriminating perceptions of a peripheral 'Nordic destination' among European tourists. *Tourism and Hospitality Research* 3, 319–330.

Joppe, M., Martin, D.W. and Waalen, J. (2001) Toronto's image as a destination; a comparative importance–satisfaction analysis by origin of visitors. *Journal of Travel Research* 39, 252–260.

Keller, K.L. (1993) Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing* 57, 1–22.

Keller, K.L. (2003) *Strategic Brand Management: Building, Measuring and Managing Brand Equity*. Prentice Hall International, Upper Saddle River, New Jersey.

Klooster, E.V., Go, F. and Baalen, P.V. (2004) Exploring destination brand communities: a business model for collaboration in the extremely fragmented tourism industry. Paper presented at the 17th Bled eCommerce Conference eGlobal, Bled, Slovenia, 21–23 June 2004. Available at: http://ecom.fov.unimb.si/proceedings.nsf/0/ffac9e563098e2c7c1256ee0002e4336/$FILE/24Klooster.pdf (accessed 15 February 2010).

Kotler, P. and Armstrong, G. (1996) *Principles of Marketing*, 7th edn. Prentice Hall International, Upper Saddle River, New Jersey.

Kotler, P. and Gertner, D. (2002) Country as brand, product, and beyond: a place marketing and brand management perspective. *Journal of Brand Management* 9, 249–261.

Kotler, P., Haider, D.H. and Rein, I. (1993) *Marketing Places – Attracting Investment, Industry and Tourism to Cities, States and Nations*. Free Press, New York.

Kotler, P., Bowen, J. and Makens, J. (1999) *Marketing for Hospitality and Tourism*. Prentice Hall International, Upper Saddle River, New Jersey.

Laurent, G. and Kapferer, J.L. (1985) Measuring consumer involvement profiles. *Journal of Marketing Research* 22, 41–53.

Laws, E. (2002) *Tourism Marketing, Services and Quality Management Perspectives*. Stanley Thorns, London.

Lovelock, C.H. (1991) *Services Marketing*, 2nd edn. Prentice-Hall, Englewood Cliffs, New Jersey.

MacKay, K. and Fesenmaier, D. (1997) Pictorial element of destination in image formation. *Annals of Tourism Research* 24, 537–565.

MacKay, K. and Fesenmaier, D. (2000) An exploration of cross-cultural destination image assessment. *Journal of Travel Research* 38, 417–423.

Milman, A. and Pizam, A. (1995) The role of awareness and familiarity with a destination: the Central Florida case. *Journal of Travel Research* 33(3), 21–27.

Milo, K.J. and Yoder, S.L. (1991) Recovery from natural disaster: travel writers and tourist destinations. *Journal of Travel Research* 30(1), 36–39.

Morgan, N., Pritchard, A. and Piggott, R. (2002) New Zealand, 100% pure. The creation of a powerful niche destination brand. *Journal of Brand Management* 9, 335–354.

Mundt, J.W. (2002) The branding of myths and the myths of branding: some critical remarks on the branding of destinations. *Tourism* 50, 339–348.

Murphy, L. (2000) Australia's image as a holiday destination – perceptions of backpacker visitors. *Journal of Travel and Tourism Marketing* 8(3), 21–45.

Olins, W. (2002) Opinion piece: branding the nation – the theoretical context. *Journal of Brand Management* 9, 241–248.

Oregon Business Plan.org. (2010) Oregon Business Plan White Paper 'Branding and Marketing Oregon'. Available at: http://www.oregonbusinessplan.org/pdf/12-Brand%20Oregon%20WP%2001-15-03.pdf (accessed 15 February 2010).

Pike, S. (2004) *Destination Marketing Organisations*. Advances in Tourism Research Series. Elsevier, Oxford, UK.

Poiesz, T.B.C. (1989) The image concept: its place in consumer psychology. *Journal of Economic Psychology* 10, 457–472.

Reilly, M.D. (1990) Free elicitation of descriptive adjectives for tourism image assessment. *Journal of Travel Research* 28(4), 21–26.

Rossides, N. (2010) *Destination Branding, Applying Branding Principles to the Marketing of Destinations*. White Paper, MASMI Research Group, London. Available at: http://www.masmi.com/global/main.php?action=aatext&page=aatext&design=default&aatext_id=117 (accessed 15 March 2011).

Selby, M. and Morgan, N.J. (1996) Reconstructing place image – a case study of its role in destination market research. *Tourism Management* 17, 287–294.

Sirakaya, E. and Sonmez, S. (2000) Gender images in state tourism brochures: an overlooked area in socially responsible tourism marketing. *Journal of Travel Research* 38, 323–362.

Skinner, H. (2005) Wish you were here? Some problems associated with integrating marketing communications when promoting place brands. *Place Branding* 1, 299–315.

Sonmez, S., Apostolopoulos, Y. and Tarlow, P. (1999) Tourism in crisis: managing the effects of terrorism. *Journal of Travel Research* 38, 13–18.

Tasci, A.D.A. and Denizci, B. (2009) Destination branding input–output analysis: a method for evaluating productivity. *Tourism Analysis* 14, 65–83.

Tasci, A.D.A. and Denizci, B. (2010) Fashionable hospitality: a natural symbiosis for Hong Kong's tourism industry? *International Journal of Hospitality Management* 29, 488–499.

Tasci, A.D.A. and Gartner, W.C. (2007) Destination image and its functional relationships. *Journal of Travel Research* 45, 413–425.

Tasci, A.D.A. and Gartner, W.C. (2009) A practical framework for destination branding in tourism branding: communities in action. In: Cai, L., Gartner, W.C. and Munar, A.M. (eds) *Tourism Branding: Communities in Action. Bridging Tourism Theory and Practice*, Volume 1. Emerald Group Publishing, Bingley, UK, pp. 149–158.

Tasci, A.D.A., Gartner, W.C. and Cavusgil, S.T. (2007a) Conceptualization and operationalization of destination image. *Journal of Hospitality and Tourism Research* 31, 194–223.

Tasci, A.D.A., Gartner, W.C. and Cavusgil, S.T. (2007b) Measurement of destination brand bias using a quasi-experimental design. *Tourism Management* 28, 1529–1540.

Tasci, A.D.A., Denizci, B. and Gartner W.C. (2009) Judging the book by the cover: travelers' uniform preferences for the hospitality industry of a destination. Paper presented at the Annual Conference of Travel and Tourism Research Association, 21–24 June 2009, Hawaii.

Williams, P.W., Gill, A.M. and Chura, N. (2004) Branding mountain destinations: the battle for "peacefulness". *Tourism Review* 59(1), 6–15.

9 Destination Image Development and Communication

Amir Shani and Youcheng Wang

Introduction

Since its emergence in the mid 1970s, destination image (DI) has become one of the most important concepts in tourism destination marketing. The rapid growth of the tourism industry, combined with the global trends of globalization and worldwide accessibility, has led to a situation where contemporary travellers are faced with endless destinations to choose from. In order to compare destinations – of which they often have only limited knowledge – travellers are assisted by the mental representation they have with regard to each destination (O'Leary and Deegan, 2003). Images serve as a means to differentiate between destinations, and have been shown in numerous studies to play a key role in the tourist's decision-making process (Pearce, 1982; Sirgy and Su, 2000; Yüksel and Akgül, 2007). Creating a positive DI is a complex and challenging task, as images are generated from fragments of information about the destination that are derived from a wide variety of sources, while only a few of them are under the direct or indirect control of destination marketing organizations (DMOs) or other destination promoters (Gartner, 1993; Baloglu and McCleary, 1999).

Nevertheless, today more than ever, DMOs invest considerable resources in order to achieve and maintain the desired image.

Substantial efforts are being directed towards exploring the traveller's image, as well as the dominant factors that influence it, as this understanding is critical for developing effective planning, development and marketing strategies (Sönmez and Sirakaya, 2002; Tasci *et al.*, 2007). For that purpose, it is essential for tourism managers not only to be concerned about the image of their own destinations, but also about those of key competitors (Ahmed, 1991; Bonn *et al.*, 2005). Moreover, recognition of the significance of DI has exceeded the boundaries of the tourism industry, as many destinations also have non-touristic goals in promoting themselves, such as improving their national image as a whole, and leveraging their international standing (Shani *et al.*, 2010). Consequently, DI is being highly prioritized in relation to many destinations around the world, in both underdeveloped and developed countries.

The goal of the current chapter is to provide a comprehensive overview of critical issues in the development and communication of DI. The chapter reviews prominent works and studies that have greatly advanced our understating of DI, while outlining managerial and marketing implications that have been drawn from the extensive research on the subject that has been conducted for over 30 years. The chapter begins with the conceptualization of DI, including its meaning and

composition, which has attracted much attention in the tourism marketing literature. The discussion then moves on to prominent methodologies that have been presented, in order to operatively assess DI and its congruence with the image that is projected by the destination itself.

As the effective communication of DI requires a thorough understanding of the mechanism that generates DI, the formation process of DI is discussed, including the information agents that affect the mental representation that people have in regard to destinations. Because it has been recognized that DI is a dynamic rather than a static concept, the chapter also presents evidence on the change of image over time, while outlining opportunities to manage and correct negative images. The chapter ends with conclusions and suggestions for future research on this critical facet of tourism destination marketing.

The Nature of Destination Image

The study of product image has a long history, yet it has been acknowledged that the unique characteristics and complexity of the tourism product require the development of specific conceptual frameworks and methodologies to inquire into the nature of DI. While a wide variety of definitions have been offered to describe DI, Gallarza *et al.* (2002) stated four main characteristics that represent the nature of DI:

1. Complex – DI is a controversial concept with no universally agreed-upon definition or accepted components.
2. Multiple – DI consists of manifold features that represent its identity; in addition, various interrelated information agents are involved in the formulation of DI.
3. Relativistic – DI is highly subjective and tends to change from individual to individual; moreover, DI is usually not assessed in itself, but rather in comparison to other destinations.
4. Dynamic – DI is not static but rather likely to change over time and space (e.g. as a result of physical proximity to the destination).

Despite the differences between the various definitions and conceptualizations that have been offered to explain the meaning of DI, it is generally agreed that it refers to the tourist-based image rather than the marketer-based image (Li and Volgelsong, 2006). The growing interest in this field of study derives from the recognition that 'what people think about a destination's image is strategically more important than what a marketer knows about the destination' (Ahmed, 1991, p. 25). A wide variety of definitions have been offered to describe DI throughout the years. One of the earliest comprehensive definitions that is akin to the current understanding of DI was suggested by Lawson and Baud Bovy (1997; in Jenkins, 1999, p. 2): 'the expression of all objective knowledge, impressions, prejudice, imaginations, and emotional thoughts an individual or group might have of a particular place'. The challenge faced by DMOs and other destination promoters is to bring the image that people have in mind as close as possible to the desired image of the destination.

The three continuum model

One of the seminal works on the subject of DI was done by Echtner and Ritchie (1991), who offered a conceptual framework for understanding the components of DI. It consists of three image continuums: (i) attribute–holistic; (ii) functional–psychological; and (iii) common–unique. The first continuum ranges from individual attributes to holistic impressions of a DI. The extensive review of the literature on image given by Echtner and Richie (1991) reveals that some definitions and interpretations of image emphasize the individual attributes of image, while others regard image as a holistic impression. An example of attribute-based definition of image is 'one's perception of attributes or activities available at a destination' (Gartner, 1986), and an example of the holistic definition is 'the sum of beliefs, ideas and impressions that people have of a place' (Kotler *et al.*, 1993). Tasci *et al.* (2007) state that the attribute-based definitions assume high-involvement and piecemeal-based processing on the part of the consumer, who assesses

destinations based on attributes and activities. In contrast, holistic definitions assume low-involvement and category-based processing on the part of the consumer, who does not have the mental capacity to examine the DI attribute by attribute, and instead has a gestalt impression of the destination, based on selected criteria that are relevant to the specific situation. Nevertheless, Echtner and Ritchie (1991) concluded that both dimensions should be incorporated in a conceptualization of DI in order to represent its complexity more accurately and comprehensively.

The second continuum ranges from the functional attributes of an image, which can be directly observed or measured, to its psychological attributes, which cannot be directly measured. Each can be based either on specific traits that are directly observable or on a general impression that represents feelings or aura. Gallarza *et al*. (2002) summarized the most common image attributes that were utilized in selected DI studies conducted between 1979 and 1999, and found that the most used attributes were 'resident receptiveness' and 'landscape and/or surroundings'. The researchers described the traits studied as a spectrum from the most physical (functional) attributes (e.g. activities and nature) to the most abstract (psychological) attributes (e.g. service quality and safety), while some attributes, such as climate and price, fall in the grey area between the two ends of the continuum.

The third and last continuum in the conceptualization presented by Echtner and Ritchie (1991) ranges from common image attributes, according to which all destinations can be evaluated and compared, to unique image attributes, which are exclusive to the specific destination. Either common or unique attributes can consist of both functional and psychological traits. Examples of common functional attributes often given include transportation, infrastructure and accommodation, while frequently used psychological attributes include residents' friendliness, safety and quality of service. Illustrations of unique functional attributes are the Taj Mahal for India, the Carnival in Rio de Janeiro for Brazil and the Eiffel Tower in Paris for France. Unique psychological attributes might include examples such as the image of romanticism for Paris, of sacredness for Israel's Jerusalem and of mysticism for India.

To conclude Echtner and Ritchie's (1991) approach, DI consists of both attribute-based and holistic impressions, each of which can be based on both functional and psychological traits. In addition, specific DIs are also differentiated from those that are common to all destinations. This scheme is illustrated as a three-dimensional figure in Fig. 9.1.
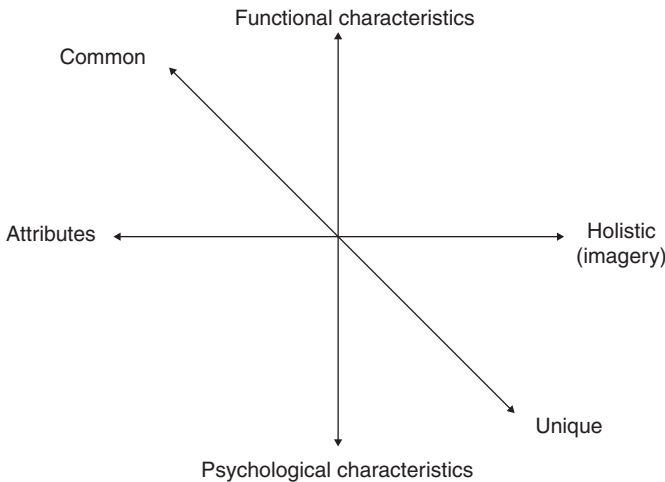
Fig. 9.1. The three-dimensional components of destination image (DI) (Adapted from Echtner and Ritchie, 1991).

The hierarchical model

Other conceptualizations have also been suggested to describe the components of DI. Gartner (1993), based on the work of Boulding (1956), stated that DI comprises three hierarchical interrelated components: cognitive, affective and conative. The cognitive component refers to knowledge and beliefs about a destination, and focuses mainly on its physical attributes. The affective component relates to feelings and emotions about a destination, which are generally neutral, favourable or unfavourable (Pike and Ryan, 2004). Lastly, the conative component indicates the behavioural intentions in relation to the destination. Together these three components take in what we know about an object (cognitive), how we feel about what we know (affective), and how we act on this information (conative)' (Tasci *et al.*, 2007, p. 199). There is a general agreement in the literature, which is supported by empirical evidence, that the affective component is a mediating factor between the cognitive component and the holistic DI. In other words, the cognitive component is an antecedent to the affective component, while both influence the overall image of the destination (Beerli and Martín, 2004; Lin *et al.*, 2007).

While most studies on DI tend to focus on cognitive image attributes, it should be stressed that the affective image component has been found to have a substantial impact on travellers' assessment and selection of tourism destinations (e.g. Yüksel and Akgül, 2007), and should, therefore, be incorporated as an integrative element in the conceptualization of DI. Moreover, as was noted by Tasci *et al.* (2007), the conative component is also missing in many definitions of DI, yet it is vital in order to capture the action element in people's perceptions. Consequently, these researchers offered an interactive system of DI components that takes into consideration its cognitive, affective and conative components, as well as other dimensions that were suggested in other studies, that is to say holistic–attributive and common–unique (see Fig. 9.2). Tasci *et al.* (2007, p. 200) described their model as follows:

> At the core of this interactive system of components, there is cognitive knowledge of common and unique attributes of
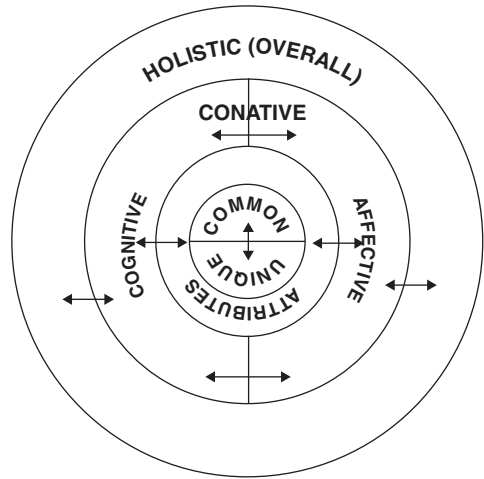
Fig. 9.2. Interactive system of destination image (DI) components (Adapted from Tasci *et al.*, 2007).

destination and the affective response toward those attributes. With the interaction between the knowledge of unique and common attributes and feelings toward them, a composite image (holistic or overall) is formed and used by the decision maker to simplify the task of decision making. Assuming the knowledge of common and unique attributes is fact based, the more detailed the core is, the less stereotypical the holistic synthesis is. This is a dynamically interactive and reciprocal system in which every item could be both cause and effect at any time, and factors cannot be comprehended in isolation; therefore they should be studied in an integrated manner. Thus, a destination image is an interactive system of thoughts, opinions, feelings, visualizations, and intentions toward a destination.

Measurement of Destination Image

In order to generate effective managerial and marketing implications regarding a destination's positioning and promotion, its image must be accurately assessed. Naturally, the methodology used to measure DI depends on the way the term is interpreted and conceptualized. Generally speaking, DI can be

measured by applying structured techniques, in which respondents rate a list of image attributes that are specified and incorporated into a standardized instrument (usually on a Likert-type or semantic differential scale), but unstructured techniques, in which the respondents freely express their perceived images of the destination (Echtner and Ritchie, 1991), can also be used. By their nature, structured techniques rely on quantitative procedures and statistical analysis, while unstructured techniques are based on qualitative methods such as content analysis, discussions with experts, in-depth interviews, focus groups, integrating questions from a survey, and others (Gallarza et al., 2002).

As noted by Echtner and Ritchie (1991), traditionally the structured approach was dominant in DI studies, most likely as a result of its obvious advantages; the studies were easier to administrate, had simpler data coding, and offered the ability to apply sophisticated statistical analyses. In addition, structured methods allow the comparison of various destinations across a variety of image attributes included in the survey. However, the structured approach focuses on general image attributes pre-specified by researchers, and so does not enable the respondents to state their own impressions regarding the destination. As a result, important holistic and/or unique characteristics of the destination might be neglected. As unstructured methods measure DI using free-form descriptions, they minimize the researchers' bias in selecting image attributes and yield rich information; hence, they are preferable for capturing the unique and holistic dimensions of a DI. Consequently, it is generally agreed upon that a comprehensive investigation of DI should apply a mixed-methodology approach, that is to say, it should incorporate both quantitative and qualitative techniques (Echtner and Ritchie, 1993; Hanlan and Kelly, 2005; Tasci et al., 2007). None the less, in his review of 142 DI papers published from 1973 to 2000, Pike (2002) found that most of the papers (79) did not involve any qualitative methods at any stage of the investigation. Broadly speaking, there are two schools that call for applying mixed-methods in DI studies: the consecutive and the complementary approaches.

The consecutive approach

When adopting the consecutive approach, the qualitative phase is initially conducted to elicit the relevant DI attributes, after which the quantitative phase is applied to measure these attributes in a structured manner (Jenkins, 1999). As an illustration, in a study conducted by Bonn et al. (2005), in order to develop a list of destination attributes to measure the image of the Tampa Bay region of Florida, the preliminary stage included three qualitative methods: (i) using answers from open-ended questions employed in an earlier survey among visitors to the region; (ii) forming an expert panel to assess whether the responses from the previous step were appropriate to represent the image dimensions; and (iii) holding panel and focus group discussions with industry and community leaders to gain their perspectives on important image attributes. Based on the results of this process, the researchers finalized a list of ten attributes that were included in a questionnaire and used in the subsequent quantitative phase. A factor analysis revealed two underlying image dimensions: the service factor ('ease of getting there', 'friendliness of residents', 'level of service', 'signage', 'value of the dollar', and 'ground transportation') and the environmental factor ('variety of things to do', 'clean environment', 'climate', and 'perception of safety'). The quantification of the DI allowed the researchers to conclude that overall the participants rated the environmental factor higher than the service factor. In addition, international visitors rated both factors lower than did domestic visitors, indicating that they had higher service and environmental standards, thus providing important implications for the destination marketers regarding the improvement of these dimensions and emphasizing them in their international marketing campaigns.

In using the consecutive approach, only a small number of studies did not limit themselves to identifying the most prominent image components of destination, but also aimed at identifying the relative importance of these components in affecting behavioural intentions. As noted by Lin et al. (2007), more attention should be focused towards

discriminating between the roles of the different image components, as they have a different impact on tourists' selection of destinations. For example, Shani *et al.* (2010) recently investigated the DI of China in the eyes of young international employees in the USA. Following the consecutive approach, in order to develop the main study instrument, the researchers conducted several focus groups sessions to identify both important common and general image attributes (e.g. pleasant weather and safety) and attributes that are unique to China (e.g. unique historical and cultural attractions, exotic oriental atmosphere, big and heavily populated). To elicit induced DIs of China, the respondents also viewed a promotional video that was produced to promote the image of the country. A total of 28 attributes were included in the questionnaire that was used in the quantitative phase. Additionally, a series of behavioural intentions towards China were also investigated, specifically the awareness, desire, likelihood of and interest in visiting China in the future. This can be seen as the conative component of DI, which Tasci *et al.* (2007) stated as missing from most studies on DI. Overall, the results of the study indicated that China was perceived as an attractive destination, exhibiting both cultural and natural qualities, in addition to representations of mixed aspects – on the one hand, traditional oriental images of enormousness and exoticism, and on the other hand, modern images of progress and innovation. Nevertheless, the factor of culture and nature tourism was found to have the most significant impact on participants' behavioural intentions. Consequently, the researchers concluded that natural and cultural attributes are the main attractors for visiting the country, and thus should be the focus of promotional campaigns. Despite China's rapid modernization, accompanied by the establishment of Western accommodation facilities, shopping facilities and other tourism infrastructure, the results indicated that emphasizing these attributes is not expected to increase the likelihood of visiting the country. These findings strengthen the suggestion of Lin *et al.* (2010, p. 10) that 'destination managers must develop marketing strategies specific to the character of their specific destinations'.

The complementary approach

The second mixed-method approach in examining DI refers to the qualitative and qualitative phases as complementary rather than consecutive. According to this view, the two methods complete each other and both are necessary for capturing the entire scope of the components of DI. This approach attributes a higher degree of importance to the qualitative methods than the consecutive approach, which utilizes it only as a means to generate the main research instrument. In the case of the complementary approach, the qualitative methods provide insights into image aspects that the quantitative method is unable to reveal, owing to its structured nature. Echtner and Ritchie (1993) suggested one of the most popular research frameworks for measuring DI, using combined structured and unstructured methods that aim to capture the aforementioned holistic, attributive, functional, psychological, unique and common characteristics of DI. According to their suggestion, a list of image items is used to quantitatively measure the common attributes of DI, both functional and psychological. Additionally, open-ended questions are included in the survey to capture the holistic and unique components of DI, again along both the functional and psychological dimensions.

Several researchers have utilized the methodology framework suggested by Echtner and Ritchie (1993) to investigate DI (e.g. Murphy, 1999; Chen and Hsu, 2000; Pawitra and Tan, 2003). In one instance, Choi *et al.* (1999) assessed the DI of Hong Kong (HK) among visitors to the island using three-dimensional image components. The study instrument utilized by the researchers included two main sections. First of all, the participants were asked to state their level of agreement with regard to a series of attribute statements (e.g. 'Many places of interest to visit', 'Local people are friendly'). These statements were analysed using statistical procedures, which pointed to the dominant common functional and psychological attributes. The second part of the questionnaire included three open-ended questions (as specified by Echtner and Ritchie, 1993), in which the participants were asked to state the

images or characteristics associated with HK, to describe the atmosphere or mood they expected to find in HK, and to list the unique tourist attractions in HK that they knew of. The qualitative information was used to assess the holistic images of HK, both functional and psychological, as well as the unique attributes and impressions from the destination. A graphic illustration of the DI of HK, based on the results of the study, is shown in Fig. 9.3. As can be seen, HK was evaluated positively with regard to the shopping and tourist information, albeit with negative images of crowdedness and stress. Among the unique images of HK were the Peak, the Star Ferry and the night market. Choi *et al.* (1999) concluded that the integration of quantitative and qualitative methods in a complementary approach provided a comprehensive DI of HK that could be highly helpful for its destination promoters in understanding its market position.

Alternative qualitative methods

It should be noted that when either the consecutive or the complementary mixed method is applied, researchers can employ a wide variety of qualitative methods to elicit DIs. Moreover, in some cases, qualitative methods are utilized as the main technique to assess DI, although for the most part they are combined with some form of quantitative investigations (Gallarza *et al.*, 2002). While the typical qualitative methods used in DI are described above, Jenkins (1999) suggested and described other alternative qualitative methods for the elicitation of image constructs: content analysis, free elicitation and photo-elicitation, and triad elicitation. Other techniques that were used in research include visitor-employed photography and sketch maps. These techniques are elaborated below, with examples from DI studies.

Content analysis

Content analysis is a method in which textual information is screened and systematically analysed to identify patterns and categories. DIs can be inferred from sources such as written information (e.g. guidebooks, newspapers) and visual information (e.g. photos in promotional material). As an illustration, a content analysis was conducted by Xiao and Mair (2006) on articles from 19 English newspapers in order to analyse China's representation as a tourist destination in the international media. The researchers stated that China has 'a paradox of images', as it was depicted with mixed and contrasting images. The negative images of China were associated with issues such as the country's problematic international relations and safety, and the positive images were related to its rich culture and tourist attractions. Based on the results from the study, the researchers suggested marketing implications for China's DMO, specifically to emphasize its most positive image dimensions (e.g. culture and outstanding attractions). In addition, it was suggested that in order to correct the more negative aspects, marketing campaigns should highlight the country's growing openness to the outside world and its socioeconomic and technological advancements.

Free elicitation and photo-elicitation

Another qualitative method that has been used to assess DI is free elicitation, which refers to word association. Reilly (1990) demonstrated the usefulness of this technique for DI studies, arguing that it constitutes a fairly simple method that can be used in a variety of survey types (e.g. mail, telephone and face-to-face interviews). Essentially, free elicitation involves asking participants questions such as 'What three words best describe X as a destination for vacation or pleasure travel?' (Reilly, 1990). The recorded responses are then categorized based on similarity, and the frequency of types of responses is assessed to identify the dominant images. This method was advocated by Reilly (1990, p. 22) because 'the responses are sensitive to the subjects' own dimensionalities for constructing an image of the stimulus', in addition to the technique's ability to reflect the lack of a coherent image when participants cannot respond with clear descriptions. A similar method is photo-elicitation, which also involves presenting photographs of the

Functional characteristics

Metropolis/skyscrapers
Good shopping place
Good transportation

The Peak, the Peak Tram and
the night view from the Peak
The Star Ferry
Shopping and the night market

Common ←——————————————→ **Unique**

Friendly and helpful
people
Mixed culture and people
Political issues

Busy/crowded/traffic
Fast pace of life

Psychological characteristics

Functional characteristics

Wide variety of products
Shopping is convenient
Good tourist information

Metropolis/skyscrapers
Good shopping place
Good transportation

Attributes ←——————————————→ **Holistic (imagery)**

Safe place to visit
Many interesting places
Everything is different
and fascinating

Busy/crowded/traffic
Friendly and helpful people
Fast pace of life

Psychological characteristics

Fig. 9.3. The functional–psychological, attribute–holistic, and common–unique image components of Hong Kong (Adapted from Choi *et al.*, 1999).

destination to the participants to investigate their perceptions.

Reilly (1990) empirically investigated the images of the State of Montana, as a whole, among US and Canadian residents, and the Montana Mountain ski area, in particular, among skiers, using free elicitation. The results indicate that the most common descriptors of Montana were its scenic beauty and its large size, while the skiing area elicited descriptions of physical beauty, spaciousness and enjoyableness. The findings also revealed variations based on the participants' origin, resulting in different marketing implications for different market segments. Accordingly, it was found that respondents from distant areas lacked a clear representation of Montana compared with residents from closer areas. Consequently, Reilly (1990) recommended integrating more informational content into promotions targeting distant areas.

Triad elicitation

The triad elicitation concept was initially formulated by Kelly (1955) for use in psychological studies, and was adapted for application to DI studies. On the basis of Kelly's theory, it is assumed that individuals appraise certain phenomena using constructs that are finite and bipolar in nature. For instance, 'a tourist might apply the construct "good value for money" to potential destination A, whereas the contrast "too expensive" might be applied to destination B' (Coshall, 2000, p. 86). The technique developed to operationalize Kelly's theory is known as the repertory grid approach (RGA), in which elements – represented by names or other symbols – are presented to participants in a series of triads, usually using cards. In the context of tourism, these elements are for the most part tourism destinations or specific attractions. As noted by Jenkins (1999), the participants are asked to evaluate and compare three destinations, and state in what meaningful way two of these destinations are similar and dissimilar from the third. Combinations of three destinations are presented to the participants until no new construct is revealed.

For instance, Pike (2003) applied the RGA to identify important destination attributes for domestic travellers in New Zealand, when they consider going by car on a short vacation. Nine prominent domestic holiday destinations were selected and displayed to the participants in series of three. It was found that the most salient attributes were 'lots to do', 'within a comfortable drive', 'the sea/beach', 'water sport' and 'good weather'. As the participants' perceptions were akin neither to the views of local tourism practitioners, who were interviewed for the study, nor to attributes used in the literature, Pike (2003) concluded that it is essential to gain the consumer's input directly when defining salient destination attributes in image studies.

Visitor-employed photography

The use of visitor-employed photography (VEP) was advocated by MacKay and Couldwell (2004) as an effective method to communicate the representations of a destination. They stated that 'the technique involves distributing cameras to respondents and asking them to photograph aspects of the site that relate to the research objectives' (p. 390) which, in this case, refers to DI elicitation. Because most advertisements and promotions entail the use of pictorial elements, it is suggested that DI studies also incorporate the visitor's visual perceptions of the destination, as this can substantially increase the validity of the research. Additionally, understanding the appealing visual elements of a destination in the eyes of visitors can help to assess the pictures currently used in marketing campaigns and to design future projected images.

This method was applied by MacKay and Couldwell (2004) in an image study on a national historic site in the Canadian province of Saskatchewan. A sample of visitors was asked to take photos that best represented the site – either positively or negatively. They were also requested to state in their diaries the main theme of each photo, the main motive for taking the photo and whether the photo represented a positive or a negative image. The analysis revealed two consistent themes that accounted for why

respondents took their pictures: 'aesthetics', which refers to the tangible facets of the site (e.g. exterior buildings, farming equipment), and 'nostalgia', which refers to the intangible elements (e.g. display of a past way of life, personal memories). The researchers concluded that the findings provide evidence that VEP is sensitive tool to the multidimensionality of DI because it captures both the site's attributive and its holistic images.

Sketch map

The goal of the sketch map methodology is to comprehend people's mental maps, which refers to their knowledge with regard to what is found at a particular location. As noted by Son (2005, p. 280), 'Mental maps are useful in predicting where people will want to go and what they will want to do when they get there … . Investigating how well tourists know the areas that they visit, what roads and landmarks they come to know, which areas they want to visit and which areas they consider to be unpleasant, is essential for better understanding of tourists' behaviour and perception'.

This information is necessary in order to gain a proper appreciation of travellers' behaviours and perceptions. Son (2005) applied the sketch map technique to assess international students' mental maps of the Australian cities of Sydney and Melbourne. The participants were asked to draw a sketch map of the downtown areas of these cities as they remembered them, providing as many details (i.e. paths, districts and landmarks) as possible. Examples of sketch maps of other locations were provided for illustration. Other sections, aimed at identifying the affective and holistic images of the cities, were also included in the questionnaire. The analysis revealed that both destinations are fairly legible cities, while Sydney is perceived as a spatially dominated city and Melbourne as a path-oriented city. The results also provided useful information concerning dominant landmarks (i.e. buildings, attractions and monuments) for each city, such as the Sydney Opera House and Queen Victoria building for Sydney, and the Nike building and Parliament House for Melbourne.

Destination Image Formation

It is essential for DMOs and tourism managers not only to understand the existing image of their destination, but also to explore the critical factors that influence that image. Such understanding provides valuable information as to the degree of effectiveness of marketing and/or publicity, and assists in decision making with regard to future marketing campaigns. Owing to the abundance of potential information sources that combine to form a DI, various attempts to classify these sources appear in the literature. To name a few examples, information sources have been categorized as: (i) symbolic stimuli (a destination's promotional efforts) and social stimuli (word-of-mouth communication, including recommendations from friends and relatives); (ii) informal (personal) and formal (corporate-based) sources; and (iii) commercial, advisory and social sources (see Choi *et al.*, 2007). Similarly, Phelps (1986) differentiated between primary images, which are based on past experiences, and secondary images, which are based on external sources.

One of the most detailed and cited typologies of information sources was offered by Gartner (1993), based on previous work conducted by Gunn (1972). The typology (see Table 9.1) is presented as a continuum of information agents that act autonomously or jointly to form a DI. The continuum ranges from sources that are in the full or partial control of destination promoters (overtly and covertly induced) to sources that are much harder to influence (autonomous and organic). Gartner (1993) also stated that the eight formation agents are differentiated by their credibility, market penetration and destination costs. For example, advertising is often expensive and is characterized by the lowest level of credibility, but also has the ability to reach wide segments of consumers. Conversely, autonomous and organic sources enjoy high credibility and only imply indirect expenses on the part of the destination, yet market penetration is relatively low as these sources rely on individual communication rather than on mass media.

The growing recognition of the significance of DI formation has led to studies that

Table 9.1. Gartner's typology of destination image formation agents (Adapted from Gartner, 1993).

Information sources	Description	Examples
Overt induced I	Traditional forms of advertising that are generated by destination promoters	Radio, television and print media, commercials, brochures and billboards
Overt induced II	External sources that have a vested interest in marketing the destination	Travel agents, tour operators and wholesalers
Covert induced I	Well-known spokesmen who are paid to endorse the destination and participate in advertisement	Celebrities such as films stars, athletes and fashion models
Covert induced II	Seemingly unbiased sources that are actually influenced by destination promoters to endorse the destination	Offering familiarization tours for travel writers and other media representatives to project the desired image of the destination
Autonomous	Genuinely independent sources, mainly news and popular culture	News reports and articles, documentaries, books and movies
Unsolicited organic	Individuals who visit or claim knowledge of the destination attributes who provide unrequested information	Voluntary information about vacation destinations generated from conversation with friends or business colleagues
Solicited organic	Knowledgeable sources without vested interest in promoting the destination provide information on its attributes, in response to explicit requests	Word-of-mouth information generated from friends and relatives who visited or heard about the destination
Organic	Personal experience	Previous visit/s to the destination

investigate the effectiveness of various information sources to convey the projected image. Investigation of the effectiveness of marketing efforts is critical in monitoring whether marketing efforts to enhance DI bear fruit, and in providing stakeholders with reasonable transparency as to the success of the marketing strategies of DMOs (Govers and Go, 2003). As noted by Shani *et al*. (2010, p. 3), because DMOs are often operated and financed through government support, they 'are increasingly being held accountable by their stakeholders and selected officials … to provide evidence of adequate returns for the often costly marketing expenditures'. For example, in an early study that was conducted with an American sample, Bojanic (1991) found that as the level of exposure to advertising increased, the attitudes of the respondents towards a certain south European country were more favourable. Respondents who reported high frequency of exposure to advertising also expressed a higher likelihood and interest in visiting that particular destination. Further, it was noted

that the most effective media for reaching the target market were newspapers and magazines.

Nevertheless, more recent studies indicate that overt induced I (traditional forms of advertising; see Table 9.1) information sources are not necessarily the ones with the most influence on DI. A study by Beerli and Martín (2004) revealed that organic and autonomous sources (e.g. guidebooks), as well as overt induced II sources (i.e. travel agency staff) had positive effects on DI, while induced sources such as brochures and advertising campaigns did not have such an effect. Similarly, Govers *et al*. (2007) found that advertisements have relatively little importance in the formation of DIs, while autonomous and covert-induced information agents, such as television, magazines, the Internet, books and movies, and organic sources (both solicited and unsolicited) were the most important sources. Finally, Mercille (2005) also discovered that before their trips, a substantial number of travellers to Tibet consulted a variety of autonomous sources, such as books,

magazines and travel films (fiction and non-fiction) on Tibet.

These findings call for destination marketers to strengthen their ties with critical distribution channels (such as travel agents), as well as to focus their attention on generating positive word-of-mouth (WOM) communication. Although WOM is regarded as an organic source, Hanlan and Kelly (2005) point to radically new tactics, such as whisper marketing (or in its Internet form, viral marketing), in which opinion makers 'plant' positive messages about a destination within specific target markets to exploit the high credibility of WOM communication. The contemporary shift of focus from word-of-mouth to 'word-of-mouse' has led Shani et al. (2010, p. 118) to predict that the Internet can 'be expected to play an important role for DMOs in the near future, especially in light of the increasing popularity of blogging and online social networks'.

Furthermore, the recognition of the importance of autonomous agents has led researchers to suggest that destination promoters allocate resources and marketing efforts to influence these sources, despite their seemingly independent nature. In an experiment-based study, Loda et al. (2005) found that publicity (defined as editorial non-paid space in the printed and broadcasted media) had a significantly higher impact than advertising on participants' attitudes towards a destination. In addition, publicity received higher credibility and generated stronger intentions to visit the destination. Consequently, it was advocated that publicity should be an important element in the destination's marketing mix – in the form of destination promoters developing and nurturing relations with journalists and other key figures in the media – in order to have a positive impact on the coverage of the destination in news broadcasts and articles (Lubbers, 2005).

Other significant image factors in the mass media are films and television shows, which have been attributed with having a significance impact on DI and, consequently, on a traveller's decision to visit a destination. Film tourism is defined as 'tourist visits to a destination or attraction as a result of the destination's being featured on television, video,

or the cinema screen' (Hudson and Ritchie, 2006, p. 387). Indeed, various studies have demonstrated a significant increase in tourist arrivals to destinations which were at the centre of films and television programmes (Tooke and Baker, 1996; Riley et al., 1998). For example, in the first year after the movie Close Encounters of the Third Kind was released (1977), visitation rates to the Devils Tower National Monument in north-eastern Wyoming, where one of the main scenes in the film was set, increased by 74% compared with the previous year. In the following years, visitation rates dropped, although not to the pre-film rates (Riley et al., 1998). Connell (2005) attributed the capability of films in influencing DIs to their perceived reliability and trustworthiness – in comparison with overt induced agents.

Owing to the significance of film tourism in DI formation, Hudson and Ritchie (2006) offered a variety of marketing activities for exploiting film opportunities, both before and after the film is released, implying that films may not be as 'autonomous' as it may seem (see Table 9.2). Although the usefulness of these and other methods should be further explored, it is clear that they seriously challenge the conventional assumption of WOM, and of 'autonomous' agents such as popular culture, news and other forms of mass media, as sources that are behind the influence exerted by destination promoters.

Destination Image Change

Most DI studies focus on measuring image in a certain point in time. None the less, as noted by Gallarza et al. (2002), image is not static but tends to change over time. Moreover, in most cases, people do not formulate a whole new DI, but evaluate information they receive from image agents based on existing perceptions they have on the destination. As noted by Tapachai and Waryszak (2000, p. 38), it is well accepted that 'an individual does not face each new stimulus as a completely novel experience but compares the incoming data with prior information or schema stored in memory'. Understanding the mechanisms of

Table 9.2. Potential marketing activities to exploit film promotion opportunities (Adapted from Hudson and Ritchie, 2006).

Before release	After release
Appointing an official destination representative to directly deal with studios	Inviting media representatives to a special screening of the film
Actively marketing the destination to film studios and producers	Placing signs and interpretation at the location of the film
Offering grant and/or tax benefits to studios to select the destination as a film setting	Offering film memorabilia for sale
Recruiting the film star to endorse the film location	Promoting accommodation facilities (e.g. hotels, guest houses) and restaurants that were used in the film
Negotiating the reference of the destination in the end credits of the film	Producing tourist maps with references to locations from the film
Providing images of the destination to media and tour operators for use during promotion	Hosting events to maximize the exposure of a wide audience to the film and the destination
Ensuring that the media coverage of the film refers to its location	Offering special film tours with local and inbound tour operators
Offering direct sponsorship of the film	Posting electronic links to promotional materials on the film's websites

image change is crucial for monitoring it and adjusting marketing strategies in response to changing circumstances. Furthermore, destination promoters should not accept the current image as a fixed state, and should apply various activities to improve its weaknesses and maintain its strengths. It should be stressed, however, that an image is slow to change as a result of the activities of induced image agents, especially when large entities such as countries or states are considered. Therefore, attempts to alter an image require substantial resources and must be planned in the long term. In addition, promoters should ensure the consistency of the desired image throughout the various information sources that are used (Gartner, 1993).

Several studies have been conducted in order to investigate images of the same destination over a period of time. For example, Gartner and Hunt (1987) investigated the image of Utah over a 12-year period, and discovered improvements in many of the state's attributes. Similarly, Tasci and Holecek (2007) found improvements in the majority of the image attributes of Michigan between 1996 and 2002 among US respondents, and thus concluded that its overall image had improved. Nevertheless, in both studies, the authors raised several potential causes for the image change, while recognizing the difficulty in assessing the exact influence of each cause. More generally, it was suggested that 'in the absence of any catastrophic impact of international importance, image(s) will continue to evolve at a rate contingent on the relative strengths of an area's induced (i.e. advertising or secondary endorsement efforts, etc.) and organic (incidence of travel) factors' (Gartner and Hunt, 1987, pp. 18–19).

However, owing to the perceived credibility of autonomous agents, dramatic events that receive wide coverage in information sources, such as news broadcasts, are more prone to generate prompt and drastic change in a DI, at least in the short term. For example, Gartner and Shen (1992) compared the DI of China among US respondents before and after the Tiananmen Square protests in June 1989, in which violent confrontations between students and the military resulted in hundreds of dead protestors. The results demonstrated that the incident, which received high attention in the West, led to the deterioration of most touristic attributes of the country, not just the perceptions of safety and security but, surprisingly, also unrelated attributes such as service and natural resources.

Note that other studies have also showed the harmful impact of negative reporting that covers undesirable facets of a destination. Such situations can include both human-induced security threats (e.g. terrorism and wars) and natural security threats (e.g. hurricanes and diseases) (Timothy, 2006). In the past decade, natural disasters such as the Asian tsunami, and the SARS (severe acute respiratory syndrome) and the foot-and-mouth disease outbreaks, as well as man-made disasters such as the political unrest in Nepal and terrorist attacks in Bali and Egypt, all received wide media coverage and subsequently led to a decline in the number of travellers to these destinations (Bhattarai *et al.*, 2005; Henderson, 2007; Uriely *et al.*, 2007). Ahmed (1991) suggested six marketing steps to correct a negative image, which can be applied by using advertising and/or publicity:

1. Capitalizing on the positive images of the component parts – identifying the image components of the destination and emphasizing the most favoured ones.
2. Scheduling mega-events – organizing special events (e.g. cultural festivals, sport contests, food fairs) that attract media attention, for public relations purposes.
3. Organizing familiarization tours – inviting key opinion makers that influence tourists' decisions, such as travel writers and tour operators, to experience the destination.
4. Using selective promotion – highlighting the destination's strengths and downplaying its weaknesses, in advertising and other promotional campaigns.
5. Bidding to host international travel and tourism conventions – with destination representatives persuading leading travel and tourism organizations (e.g. International Hotel and Restaurant Association; World Association of Travel Agencies) to conduct future conferences at the destination, for the main purpose of getting the industry's attention.
6. Taking advantage of a negative image – in certain cases destination promoters can spin problematic images into assets.

Recognizing the critical impact of autonomous sources, destination promoters have applied other media strategies to deal with unsympathetic and problematic coverage. For example, the State of Israel has suffered from negative reporting because of violent conflicts with its Arab neighbours and terrorist attacks since its establishment in 1948. As a result, the Ministry of Tourism, as well as other Israeli and Jewish organizations, have used a series of marketing strategies to improve its image through attempts to influence media outlets and/or utilizing alternative outlets to convey the desired DI. Table 9.3 presents selected media-focused strategies for improving the negative coverage of Israel.

Conclusions and Future Research

Image is highly complex and complicated to manage, yet it is one of the most critical factors that determine the competitiveness of tourism destinations; thus, destination image – DI – should receive high priority on the part of destination promoters. Generating and maintaining an appealing DI is more important than ever, as consumers have a wide variety of destinations to choose from. The worldwide acknowledgement of the economic and other benefits from the tourism industry has led even unknown destinations to seek tourism development, creating fierce competition over the hearts and minds of tourists. Remote and developing countries, which are increasingly seeking recognition as legitimate tourism destinations, have a particular interest in raising awareness and appreciation as to their qualities among potential tourists. Moreover, destinations that share similar attractors (e.g. sun, sea and sand) struggle intensely to differentiate themselves from their competitors, especially in cases where the costs of visits are comparable. These challenges require not only the recognition of the importance of DI, but also the allocation of adequate resources to manage and monitor it.

This chapter has emphasized that the complexity of DI calls for adoption of a theoretical framework in order to grasp the essence of DI and properly measure it. While most DI studies focus on the common cognitive and psychological image attributes of

Table 9.3. Media-focused strategies to improve negative coverage: the case of Israel (Adapted from Avraham, 2009).

Purpose	Practice	Examples
Influencing the media		
Cooperation and developing media relations	Establishing constructive and open relations with journalists and media decision makers	Observing free press, carrying out press conferences, issuing press releases, granting interviews with government and military officials, allowing journalists to join military operations, etc.
Putting pressure on the media	Exerting pressure on media outlets to alter the negative reporting of the country	Israeli officials have issued complaints against newspaper and news channels about allegedly biased and distorted coverage
Blocking the media	Preventing the media from having access to certain events with potential negative effect on the destination's image	The Israeli army occasionally denies right of entry to war zones and areas of violent clashes, such as during the Gaza conflict, in the winter of 2009
Replacing the media		
Using the film industry	Using local films as 'national ambassadors', which constitute an alternative to the traditional media	Governmental organizations sponsor and promote Israeli films internationally, and these in many cases present different facets of the country from those portrayed in the media
Using celebrities and opinion leaders	Utilizing the credibility of celebrities to convey the desired messages	Israel hosts at least 2000 opinion makers annually; additionally, visits of celebrities (e.g. Madonna) have been utilized for public relations
'Come see for yourself'	Inviting target audiences to experience the destination themselves so that they can see that the destination's stereotypes are false	Israel issued a campaign with the slogan 'come see for yourself', inviting people to see for themselves that the destination is not as dangerous as it is depicted in the media
Using the Internet as an alternative to the media	Reaching the target audience directly through various Internet outlets	Employing informative websites, posting video clips and advertisements on video-sharing websites, and launching home pages on online social networks

destinations, theoretical models that depict image components, such as the three continuum model (Echtner and Ritchie, 1991, 1993) and the hierarchical model (Gartner, 1993) highlight the significance of taking other aspects into consideration, such as unique and holistic images, and/or the affective and conative components of DI. Integrating these elements into image measurements provides a more accurate and comprehensive picture of the representation of the destinations that people have in mind. Note that such investigations should also incorporate qualitative research methods to shed light on the aspects of an image that quantitative methods fail to project. Several qualitative methods described in the chapter can be used either solely or jointly with quantitative methods. The review presented has demonstrated the unique contribution that alternative techniques such as triad elicitation can bring to the understanding of DI, and shown that these should, therefore, be considered as a complementary methodology in future studies. In particular, visual methods such as visitor-employed photography can be highly effective in designing and selecting effective images to be used in marketing campaigns.

The valuable marketing implications that can be derived from measuring and understanding images of destinations have been clearly demonstrated in the chapter. Additionally, destination promoters should not only measure and monitor DI, but also influence it both directly and indirectly. Nevertheless, formulating the desired DI is expected to be more difficult than ever, as a wide range of information agents have an impact on DI. Evidence that the sources that are not under the direct control of the destinations are those that have the most impact on tourists' DIs (e.g. news media, popular culture and word-of-mouth communications) requires the formulation of innovative and creative techniques to effectively manage DI. The chapter has described several prominent means of image formation, including suggestions for correcting negative images during and after crises and disasters. However, future studies should focus on measuring the effectiveness of these techniques; this is expected to be a considerable challenge owing to the difficulty of isolating the impact of a single information agent from the rest of the sources that are used by consumers.

As previously noted, contemporary trends in the destination marketing literature call for directing more efforts towards understanding the process of image change. This is particularly crucial in light of the considerable resources that are invested by destination promoters on various types of promotional campaigns. Although the need to measure the effectiveness of these campaigns has been well recognized, techniques to evaluate marketing effectiveness have concentrated for the most part on measuring the increase in tourist arrivals and/or receipts that were generated by the campaign (e.g. conversion studies). While intuitive and useful, these approaches have also been criticized for providing a partial picture, as they ignore 'other relevant advertising objectives and effects such as increased awareness and image and positive attitude change' (Schoenbachler *et al.*, 1995, p. 4). Such positive image change can be manifested in a visit in the long term, which is not reflected in studies that focus on the short-term effects of advertising and publicity. Consequently, the measurement of changes in DI should be incorporated as an important component in the examination of the effectiveness of marketing activities.

DI is conventionally understood to be the tourists' mental representation of the destination. This has also emerged in the abundance of empirical investigations that target actual or potential tourists as their study population. None the less, there is a growing recognition that the examination of other destination stakeholders' perspectives can also provide useful information for destination promotion. This is particularly relevant to local residents, which have been found in previous studies to have a considerable impact on tourists' en route decision making and behaviours, as a result of the formal–informal contact between the two sides (e.g. DiPietro *et al.*, 2007; Walls *et al.*, 2008). Consequently, 'the organic image held by non-residents could be impacted by their general communications with residents' (Hsu *et al.*, 2004, p. 125). More research attention should therefore be focused towards understanding the local residents' images of the destination, as well as towards its impact on that of the tourists' images.

To conclude, this chapter provides a comprehensive review on the conceptualization, measurement, formation and modification of DI. Marketing implications that are derived from key studies on DI have also been depicted. Prominent current issues and trends have been discussed, such as the implementation of media strategies to improve DI during crises, and the rising influence of Internet outlets on DI. DI is clearly a crucial element in the marketing mix of tourism destinations, and its impact on the competitiveness of the destination, as a whole, is also widely acknowledged. The main challenges faced by destination promoters in effectively managing and communicating DI are to design and implement comprehensive image assessments, despite the considerable resources that are required, and to effectively monitor and manage the processes of image formation and change. Although image study in tourism is relatively young, the review given in this chapter demonstrates the wide variety of tools and implications that are being generated from the extensive research on the subject.

As a final note, despite the growing importance that is attributed to DI among many nations and destinations worldwide, it should be stressed that promoting the desired image is not a substitute for honest efforts to cope with actual political, economic, social and cultural challenges that a destination might be facing. As we have been reminded by Fan (2006, p. 13), 'nation branding will not solve a country's problem but only serves as a final touch, to add icing on the cake. If economic development in a country is like completing a gigantic jigsaw, nation branding is probably the last piece'. This is a good advice to keep in mind, especially during times when it seems that 'reality is overrated' and that image is the most important consideration for individuals and destinations alike.

References

Ahmed, Z.U. (1991) Marketing your community: correcting a negative image. *Cornell Hotel and Restaurant Administration Quarterly* 31(4), 24–27.

Avraham, E. (2009) Marketing and managing nation branding during prolonged crisis: the case of Israel. *Place Branding and Public Diplomacy* 5, 202–212.

Baloglu, S. and McCleary, K. (1999) A model of destination image formation. *Annals of Tourism Research* 26, 868–897.

Beerli, A. and Martín, J.D. (2004) Factors influencing destination image. *Annals of Tourism Research* 31, 657–681.

Bhattarai, K., Conway, D. and Shrestha, N. (2005) Tourism, terrorism and turmoil in Nepal. *Annals of Tourism Research* 32, 669–688.

Bojanic, D.C. (1991) The use of advertising in managing destination image. *Tourism Management* 12, 352–355.

Bonn, M.A., Joseph, S.M. and Dai, M. (2005) International versus domestic visitors: an examination of destination image perceptions. *Journal of Travel Research* 43, 294–301.

Boulding, K. (1956) *The Image – Knowledge in Life and Society*. University of Michigan Press, Ann Arbor, Michigan.

Chen, J.S. and Hsu, C.H.C. (2000) Measurement of Korean tourists' perceived images of overseas destinations. *Journal of Travel Research* 38, 411–416.

Choi, S., Lehto, X.Y. and Morrison, A.M. (2007) Destination image representation on the web: content analysis of Macau travel related websites. *Tourism Management* 28, 118–129.

Choi, W.M., Chan, A. and Wu, J. (1999) A qualitative and quantitative assessment of Hong Kong's image as a tourist destination. *Tourism Management* 20, 361–365.

Connell, J. (2005) Toddlers, tourism and Tobermory: destination marketing issues and television-induced tourism. *Tourism Management* 26, 763–776.

Coshall, J.T. (2000) Measurement of tourists' images: the repertory grid approach. *Journal of Travel Research* 39, 85–89.

DiPietro, R.B., Wang, Y., Rompf, P. and Severt, D. (2007) At-destination visitor information search and venue decision strategies. *International Journal of Tourism Research* 9, 175–188.

Echtner, C.M. and Ritchie, J.R.B. (1991) The meaning and measurement of destination image. *Journal of Tourism Studies* (2)2, 2–12.

Echtner, C.M. and Ritchie, J.R.B. (1993) The measurement of destination image: an empirical assessment. *Journal of Travel Research* 31(4), 2–12.

Fan, Y. (2006) Branding the nation: what is being branded? *Journal of Vacation Marketing* 12, 5–14.

Gallarza, M.G., Saura, I.G. and García, H.C. (2002) Destination image: towards a conceptual framework. *Annals of Tourism Research* 29, 56–78.

Gartner, W.C. (1986) Temporal influences on image change. *Annals of Tourism Research* 13, 635–644.

Gartner, W.C. (1993) Image formation process. *Journal of Travel and Tourism Marketing* 2(2/3), 191–215.

Gartner, W.C. and Hunt, J.D. (1987) An analysis of state image change over a twelve-year period (1971–1983). *Journal of Travel Research* 26(2), 15–19.

Gartner, W.C. and Shen, J. (1992) The impact of Tiananmen Square on China's tourism image. *Journal of Travel Research* 30(4), 47–52.

Govers, R. and Go, F. (2003) Deconstruction destination image in the information age. *Information Technology and Tourism* 6, 13–29.

Govers, R., Go, F.M. and Kumar, K. (2007) Promoting tourism destination image. *Journal of Travel Research* 46, 15–23.

Gunn, C.A. (1972) *Vacationscape: Designing Tourist Regions*. Bureau of Business Research, University of Texas, Austin, Texas.

Hanlan, J. and Kelly, S. (2005) Image formation, information sources and an iconic Australian tourist destination. *Journal of Vacation Marketing* 11, 163–177.

Henderson, J.C. (2007) Corporate social responsibility and tourism: hotel companies in Phuket, Thailand, after the Indian Ocean tsunami. *International Journal of Hospitality Management* 26, 228–239.

Hsu, C.H.C., Wolfe, K. and Kang, S.K. (2004) Image assessment for a destination with limited comparative advantages. *Tourism Management* 25, 121–126.

Hudson, S. and Ritchie, J.R.B. (2006) Promoting destinations via film tourism: an empirical identification of supporting marketing initiatives. *Journal of Travel Research* 44, 387–396.

Jenkins, O.H. (1999) Understanding and measuring tourist destination images. *International Journal of Tourism Research* 1, 1–15.

Kelly, G.A. (1955) *The Psychology of Personal Constructs*. Norton, New York.

Kotler, P., Haider, D.H. and Rein, I. (1993) *Marketing Places*. Free Press, New York.

Li, X. and Vogelsong, H. (2006) Comparing methods of measuring image change: a case study of a small-scale community festival. *Tourism Analysis* 10, 349–360.

Lin, C.-H., Morais, D.B., Kerstetter, D.L. and Hou, J.-S (2007) Examining the role of cognitive and affective image in predicting choice across natural, developed, and theme-park destinations. *Journal of Travel Research* 46, 183–194.

Loda, M.D., Norman, W. and Backman, K. (2005) How potential tourists react to mass media marketing: advertising versus publicity. *Journal of Travel and Tourism Marketing* 18(3), 63–70.

Lubbers, C.A. (2005) Media relations in the travel and tourism industry: a coorientation analysis. *Journal of Hospitality and Leisure Marketing* 12(1/2), 41–55.

MacKay, K.J. and Couldwell, C.M. (2004) Using visitor-employed photography to investigate destination image. *Journal of Travel Research* 42, 390–396.

Mercille, J. (2005) Media effects on image: the case of Tibet. *Annals of Tourism Research* 32, 1039–1055.

Murphy, L. (1999) Australia's image as a holiday destination – perceptions of backpacker visitors. *Journal of Travel and Tourism Marketing* 8(3), 21–45.

O'Leary, S. and Deegan, J. (2003) People, pace, place: qualitative and quantitative images of Ireland as a tourism destination in France. *Journal of Vacation Marketing* 9, 213–226.

Pawitra, T.A. and Tan, K.C. (2003) Tourist satisfaction in Singapore – a perspective from Indonesian tourists. *Managing Service Quality* 13, 399–411.

Pearce, P.L. (1982) Perceived changes in holiday destinations. *Annals of Tourism Research* 9, 145–164.

Phelps, A. (1986) Holiday destination image – the problem of assessment: an example developed in Menorca. *Tourism Management* 7, 168–180.

Pike, S. (2002) Destination image analysis – a review of 142 papers from 1973 to 2000. *Tourism Management* 23, 541–549.

Pike, S. (2003) The use of repertory grid analysis to elicit salient short-break holiday destination attributes in New Zealand. *Journal of Travel Research* 41, 315–319.

Pike, S. and Ryan, C. (2004) Destination positioning analysis through a comparison of cognitive, affective, and conative perceptions. *Journal of Travel Research* 42, 333–342.

Reilly, M.D. (1990) Free elicitation of descriptive adjectives for tourism image assessment. *Journal of Travel Research* 28(4), 21–26.

Riley, R., Baker, D. and Van Doren, C.S. (1998) Movie induced tourism. *Annals of Tourism Research* 25, 919–935.

Schoenbachler, D.D., di Benedetto, C.A., Gordon, G.L. and Kaminski, P.F. (1995) Destination advertising: assessing effectiveness with the split-run technique. *Journal of Travel and Tourism Marketing* 4(2), 1–21.

Shani, A., Chen, P.J., Wang, Y. and Hua, N. (2010) Testing the impact of a promotional video on destination image change: application of China as a tourism destination. *International Journal of Tourism Research* 12(2), 116–133.

Sirgy, M.J. and Su, C. (2000) Destination image, self-congruity, and travel behavior: toward an integrative model. *Journal of Travel Research* 38(4), 340–352.

Son, A. (2005) The measurement of tourist destination image: applying a sketch map technique. *International Journal of Tourism Research* 7(4/5), 279–294.

Sönmez, S. and Sirakaya, E. (2002) A distorted destination image? The case of Turkey. *Journal of Travel Research* 41, 185–196.

Tapachai, N. and Waryszak, R. (2000) An examination of the role of beneficial image in tourist destination selection. *Journal of Travel Research* 39, 37–44.

Tasci, A.D.A. and Holecek, D.F. (2007) Assessment of image change over time: the case of Michigan. *Journal of Vacation Marketing* 13, 359–369.

Tasci, A.D.A., Gartner, W.C. and Cavusgil, S.T. (2007) Conceptualization and operationalization of destination image. *Journal of Hospitality and Tourism Research* 31, 194–223.

Timothy, D.J. (2006) Safety and security issues in tourism. In: Buhalis, D. and Costa, C. (eds) *Tourism Management Dynamics: Trends, Management and Tools*. Elsevier Butterworth-Heinemann, Oxford, pp. 19–27.

Tooke, N. and Baker, M. (1996) Seeing is believing: the effect of film on visitor numbers to screened locations. *Tourism Management* 17(2), 87–94.

Uriely, N., Maoz, D. and Reichel, A. (2007) Rationalizing terror-related risks: the case of Israeli tourists in Sinai. *International Journal of Tourism Research* 9, 1–8.

Walls, A., Shani, A. and Rompf, P.D. (2008) The nature of gratuitous referrals in tourism; local residents' perspective. *International Journal of Contemporary Hospitality Management* 20, 647–663.

Xiao, H. and Mair, H.L. (2006) "A paradox of images": representation of China as a tourist destination. *Journal of Travel and Tourism Marketing* 20(2), 1–14.

10 The Evolution of Tourism Products in St Andrews, Scotland: From Religious Relics to Golfing Mecca

Richard Butler

St Andrews, they say that thy glories are gone,
That thy streets are deserted, thy castles overthrown,
If thy glories be gone, they are only, methinks,
As it were, by enchantment, transferred to thy Links

(Carnegie, 1813)

Introduction

The development process of tourist destinations has been well studied and is the subject of many individual case studies. In most cases, discussion has focused on the nature of the changes in destinations rather than on the product or products that the specific destination is offering and promoting to its potential markets. In the case described here, the emphasis is on the different products that have become the selling point for a tourist destination and the way in which one product has been superseded by another over time. The chapter begins with a discussion of the Tourism Area Life Cycle (TALC) model of destination development and then introduces the specific example of the destination of St Andrews, Scotland, and the context behind the emergence of this community as a tourist destination. Discussion then moves on to the

different products and images of the town that have emerged over time, culminating in the image and product being promoted at the current time (Butler, 2005). It concludes that these products are likely to continue to remain effective in attracting tourists to the town for the foreseeable future.

The most widely used model of destination development has been the TALC model, first proposed some three decades ago (Butler, 1980). This model, based on the classic business life cycle model, argued that destinations proceed through a recognizable and common pattern of development. The original conception of the model was based on the argument that tourist destinations should be thought of as products, and as such, could be expected to follow the traditional product life cycle model (Butler, 2006a). In the case of tourist destinations, the TALC model suggested that many such locations lacked the element of overall control normally present when a company is creating a product and that, therefore, a destination's growth path might be lacking overall direction and management. This could be expected to be particularly true for destinations originating before the establishment of destination management organizations (DMOs) and similar bodies charged with creating, maintaining and renovating a destination's image. The pattern and process of development of most

tourist destinations was argued to be dependent on the overall appeal or attractiveness of the destination to its markets, so without protection and maintenance of its key attributes (unique selling points, or USPs), this appeal would be expected to decline over time. Loss of appeal could be caused by a number of factors, including changes in market tastes and in socio-economic and demographic characteristics on the demand side, and problems such as overuse, crowding, high prices and loss of environmental quality on the supply side – in fact, many of the problems now subsumed under the rubric of sustainability.

The TALC model put forward a series of stages of development reflecting the amount and type of development that tourist destinations experience. The general pattern was characterized as beginning slowly, through a period of rapid growth and expansion of facilities, culminating in a period of little or no growth, often followed by a decline, with a range of subsequent paths, ranging from continued decline and abandonment of tourism, to rejuvenation and resumed growth. The first of the six stages identified was that of exploration, characterized by a small number of tourists travelling independently, using existing facilities and causing little if any change in the community. The second stage, involvement, would see the early emergence of a tourist product with some local residents providing services and facilities for visitors. By the third stage, development, the encouragement and growth of services and facilities would be undertaken on a larger scale, tourism would be regular, often with a defined season, external investment would occur along with some loss of local control, and physical changes in the destination would be visible. By the fourth stage, consolidation, the destination would be clearly identifiable as a tourist centre and the economy would be dependent on tourism. Labour would probably have to be imported, and initial local delight in tourism would be declining as disenchantment appeared (Doxey, 1975). Tourist numbers would be likely to have exceeded resident numbers significantly and have reached their maximum growth rates. The fifth stage, stagnation, as its name implies, would see a decline in visitation growth rates,

if not in growth of visitor numbers, and reduced levels of investment.

In the absence of effective management intervention, it is then argued that the destination would enter a decline stage, no longer being as attractive to its markets or as competitive as it had been. In some cases, this might lead to a partial or even complete withdrawal from tourism (Baum, 2006); in other cases it might lead to a search for new or renovated products, resulting in an interim period of restructuring and new growth (Agarwal, 2006). Depending on the success of such measures, there may be a stage of rejuvenation and the beginning of a new cycle, or a relapse into ever deepening decline, represented by a negative spiral of reduced visitor numbers, reduced expenditure and reduced investment, and further environmental decline (Russo, 2006). The key either to avoiding a decline phase or to a successful response to decline was argued to be management intervention, which could be seen in the form of maintenance of the quality of key attributes, of investment and of resident support for tourism. Without such intervention, and when appropriate, the introduction of new products and attractions, it was argued that destinations would almost inevitably face decline at some point in their development cycle.

This model has been used in many situations and received wide application and some modification (Lagiewski, 2006). It is clear from the research that has been done using the TALC model (Butler, 2006a, b) that the emphasis has been on the nature of the destination and the quality of its environments (both ecological and social); however, it is equally clear that destinations can, unlike leopards, change their spots, i.e. change the nature of their attraction(s) and attributes. Many destinations attempt such changes, generally to increase their potential markets and to prolong their life cycles, particularly as they approach or enter the decline phase of the TALC model, but relatively few are successful. This failure is partly due to the great difficulty of changing overall destination image, which is generally a combination of both induced and organic images (Gunn, 1993), and partly due to the cost of major

changes in physical infrastructure and marketing that would be required. Also, there may be resistance from residents of a community to changes in the nature and image of that community (Doxey, 1975; Martin 2006). Attempts to maintain a long-term product image are difficult when a destination is attempting to compete in a dynamic global market, and developments such as the World Wide Web in recent decades have made such a task even more problematic. Potential visitors can easily compare the attractions, accessibility and cost of any specific destination with almost every other destination at the global level, to the point that success or failure in securing and keeping a market or a market segment may depend more on information on a website than on physical reality. Be that as it may, the quality of the attributes of destinations, which is essentially the product being sold, is of crucial importance to the market. In the case of St Andrews, it will be shown that most of this destination's key attributes are not replicable and could be described as unique to the town. What makes St Andrews of particular interest in this context is that while its key attributes or products have changed significantly over its 1000 year history of attracting tourists, these changes have been organic, even accidental, and generally not introduced with tourism in mind.

Context

In this chapter, a specific example of a tourist destination is examined, namely, one that has maintained its appeal over a number of centuries, but has found that its products, and hence its image, have evolved and changed significantly over that period, often without the conscious or deliberate intent of the community itself. The result has been problems with product definition, with acceptance of the need for change in the product, and with the manner in which the product has been promoted. The product – or the destination – being discussed in this chapter is the Scottish town of St Andrews. St Andrews is a historic market town of around 18,000 permanent residents, located on the east coast of Scotland. It is an ancient settlement, benefiting greatly

in its early centuries by being known as the resting place of the relics of Scotland's patron saint, St Andrew, from whom the town took its name. The cathedral, which was built almost a millennium ago, became the ecclesiastical centre of (Catholic) Christianity in Scotland, and remained thus until it was sacked in the Protestant reformation of the 16th century (Putter and MacLean, 1995). It remains today as an impressive ruin, along with the also ruined bishop's castle. Combined with this historic religious and built heritage is a medieval streetscape which has changed little in morphology over a period of 500 years. The town also possesses two magnificent beaches (albeit washed by a cold North Sea), one of which featured in the opening sequence of the Oscar-winning film *Chariots of Fire.* Of most relevance in the present day is the fact that the town also has the most iconic and famous golf course in the world – *The Old Course,* the oldest golf course in the world (Staachura, 2000), and is also the home of the Royal and Ancient Golf Club (The R&A), which sets the rules of golf for most of the world (excluding only the USA and Mexico). Along with the Old Course are some five additional courses in public ownership, and a considerable number of other courses belonging to clubs and hotels which are open to non-members. Combined with the practice facilities available, they make the town the global centre of golf, with the town justifiably claiming the enviable and highly marketable title of 'The Home of Golf' (Burnet, 1990).

This combination of attractions for cultural and religious tourism, for sun and sand (if not sea for all visitors) tourism, and for golf tourism, has provided the town with the basis for a tourist product of considerable significance. The same combination of features, along with the presence of Scotland's oldest university, founded in 1413 (Cant, 1992), also present a number of problems in the way that the tourist product has evolved and has been promoted. There are diverse attitudes within the community about the tourism product that should be marketed, how the attractions should be utilized, and the degree to which they should be conserved or preserved. As will be discussed, the evolution of the tourist

product of St Andrews has, until relatively recently, been primarily an organic process, and the role of tourism (and golf) in the development of the town is still an item of considerable controversy and sometimes disagreement, as will be illustrated below.

Early Product Evolution

The religious product

The first tourists to St Andrews were easy to identify, being Christian pilgrims coming to worship at the shrine, and later cathedral, of St Andrew. The supposed relics of St Andrew were brought to the town around 761, and St Rule's church was built to house them in about 1130. The pilgrims made their way generally by land from the west along the south coast of Fife or by boat to the local small harbour, and provided a consistent and rather lucrative source of revenue for the town and for the Church. There is little record of their numbers or origins, but Willshire (2003, p. 12) notes that they numbered 33,000 in 1337. The sale of souvenirs, accommodation and food to these early tourists was very similar to the sale of products to contemporary tourists. Such was the income generated from the religious tourist product that the great cathedral was begun in 1160, ultimately being completed in 1318. This religious product and the image which accompanied it remained an effective and unique selling point for St Andrews for several hundred years.

The importance of the Cathedral as an ecclesiastical centre can be judged by the fact that King James IV (of Scotland) married Mary of Lorraine there in 1538, the wedding being attended by many of the nobles of Scotland (Putter and MacLean, 1995). This importance ended with the Reformation of the 16th century, a typically bloody affair in Scotland, culminating, in the case of St Andrews, with the burning of several Protestant martyrs (commemorated by a monument still standing on the hill behind the R&A clubhouse) and the subsequent retaliatory murder of the Catholic bishop in 1546. Following a sermon in St Andrews by John Knox in 1559,

the cathedral was ransacked and ceased to function, with its monks being expelled. After these events few pilgrims came to St Andrews, and the appeal of the religious buildings and their associated history disappeared as a visitor attraction or tourist product for three centuries. 'The aftermath (of the reformation) was serious. Like Canterbury, St Andrews had become dependent on the pilgrims who for centuries had journeyed across Europe to the Shrine where miracles were wrought' (Willshire, 2003, p. 11). The attraction of these features drew only a few visitors during the 17th, 18th and early 19th centuries, and it was not until the increasing popularity of Scotland to Victorian-age travellers that St Andrews reappeared on the tourist map of the country to any degree. The physical manifestation of the medieval streetscape and the ruined ecclesiastical buildings, however, have remained a major factor in the morphology of the town and are highly visible, dominating the skyline of the town, as shown in an old railway advertisement (Fig. 10.1).

The educational product

After the Reformation, the only real attraction of St Andrews for outsiders was the university. Established by a Papal Bull of 1413, St Andrews University has maintained its position as one of the leading universities in Scotland and regularly ranks in the top 20 universities in Britain in terms of research and teaching 'league tables' (Cant, 1992). When the religious product declined in the 16th century, the educational attraction was the only attribute available to replace it. Whether one considers students to be tourists is open for debate, although many countries do so classify foreign students at least. The establishment of the university stemmed in part from the pre-existing religious tradition of education and learning, and it was an ecclesiastical initiative which founded the institution via the Papal Bull noted above. The university was granted large areas of land within what are now the town boundaries, with various rights relating to these properties, and as the church declined in importance, the university assumed a major
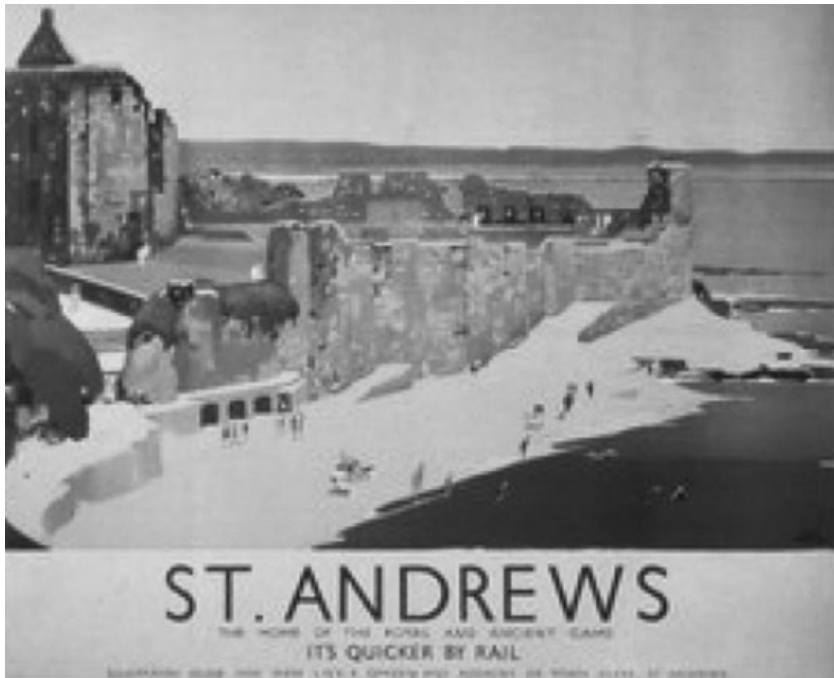
Fig. 10.1.   The medieval heritage of St Andrews as shown in an old railway advertisement.

role in the image and development of the town, a role which still exists today. Students came from a wide catchment area, including other countries than Scotland, a feature making St Andrews University somewhat different from its later Scottish counterparts, many of whom attracted primarily local students, a pattern emphasized in the 20th century. Thus, the university kept St Andrews 'on the map' as it were, being one of the few places in Scotland in the 16th, 17th and 18th centuries to which visitors came.

The sand product

The emergence of the third strand of the tourist product, specifically, that based on beach tourism, took place primarily during the inter-war period (1919–1939), and remained strong until the 1960s. St Andrews experienced considerable summer tourist visitation, mostly by rail, especially from the Glasgow–Clydeside conurbation and elsewhere in Scotland during the peak summer months,

along with a sizeable number of visitors from England. The drier and sunnier, if cooler, east coast climate gave St Andrews an advantage over the west coast of Scotland, and the beaches provided a high standard of amenity, accompanied by the historic heritage of the town. The railway companies built a spur line to St Andrews from the main London–Edinburgh–Aberdeen route in 1850, and hotel accommodation to serve their customers, culminating in the Old Course Hotel in 1964, the largest and only five-star hotel within St Andrews. It has been enlarged and upgraded several times since its opening, but the rail service and the spur line were closed at the time of the massive national rail-line reduction programme of the 1960s. In the post World War II period, the town was still being advertised as a place for traditional beach holidays by the railway companies.

In the interwar and immediate postwar periods, St Andrews was in competition with many small coastal towns on both the east and west coasts of Scotland, those on the west coast relying on spectacular scenery and boat

services to attract clientele (e.g. the Clyde coastal resorts of Dunoon and Rothesay), and those on the east coast (e.g. Elie, Stonehaven) relying on small harbours, often extensive beaches and sunnier weather to attract visitors. All of these resorts relied on the railway companies to carry tourists, and in the case of the west coast and insular settlements, a combination of railway and steamer (sometimes combined) companies. The east coast resorts suffered more heavily from the reduction in rail services in the 1960s, although St Andrews suffered less than many of its competitors as the main line from Edinburgh to Aberdeen remained open and was upgraded; but it did lose its direct link via the spur line from Leuchars, necessitating a road journey of around 8 miles. Summer beach tourism declined rapidly from the 1960s, reflecting more the general decline in market appeal of UK resorts (Shaw and Williams, 1997) compared with mainland European competitors than the specific loss of rail service. The railway station site is now a bus station and the track has been removed, as have several

bridges, so there is little sign of the spur line's former existence (Fig. 10.2).

The golf product

The final and most important contemporary tourism product of St Andrews is the golf facilities, particularly The Old Course and the iconic reputation of the town among golfers. Golf has a long history in St Andrews. The game was a source of annoyance to King James II and there is a record of his remonstration at students from the university over their playing of golf rather than practising archery. Willshire (2003, pp. 32–33) notes that in 1457 James II decreed 'that the futball and the golfe be utterly cripit downe and not usit … the football and the golfe we ordane it to be punyst be the baronye unlawe' (original spelling). Jarrett (1995, p. 13) records that James III repeated the prohibition on golf in 1471, as did his successor in 1492. In 1502, the royal animosity ended when James IV acquired golf equipment, and by 1502 he had

Fig. 10.2. The emergence of the tourist product based on beach tourism in St Andrews.

become an enthusiast, a practice followed by Mary, Queen of Scots (Lewis *et al.*, 1998, p. 2). This was of some importance to St Andrews which was already noted as a place of golf, with Willshire (2003, p. 31) recording that the earliest mention of golf in St Andrews exists in the form of a parchment held in the university library which is a licence dated 25 January 1552 granted by John Hamilton (Archbishop of St Andrews):

> to the inhabitants of the city in return for permission to plant and plenish 'cuniggis' (rabbits) with the north part of their common Links next adjacent to the water of Eden, convenants with the City to accept the community's rights 'inter alia to play at golf, fuball, schuting at all gamis with all uther maner of pastime as ever thai pleis' (original spelling)

Local residents had played a version of golf on the links that are now the site of the current courses for many years, often creating problems with the rabbit production on the links that was a major source of income for individuals in the town. The problem was resolved when the then Bishop granted the right to play golf over the links to the town, thus ensuring the preservation of the game in the town and the links as the site to be used and developed for it. Such sentiments were reinforced by the town insisting that when permission was given in 1726 for an individual to rear rabbits on the links, it was on condition that 'the links are not to be spoiled where the golfing is used' (Jarrett, 1995, p. 14). It is the fact that the actual morphology of the sand dune area has not been modified significantly which makes the Old Course so much the epitome of a 'links' golf course (Price, 1989), i.e. a course on level or gently undulating sandy ground near a seashore, with turf, coarse grass. What has and still makes the St Andrews golf product unique is that the courses within the town are publicly owned (by the local authority) and thus open for all to play. They are not owned by a club, although the courses themselves are managed by a Links Trust, which has representation appointed by the local authority and by the R&A. Local residents have historically been given certain priorities in terms of access to the courses and reduced playing fees. This

situation came about from the time of the establishment of the first formal course in St Andrews (Mackie, 1995).

The development of golf at St Andrews has been extensively documented and it is clear that its early growth had little to do with tourism. The appeal of St Andrews to golfers is not recent, as Lord Cockburn wrote in 1844 in *Circuit Journeys*:

> the locals have a pleasure of their own, which is as much the staple of the place as old colleges and churches are. This is golfing, which is here not a mere pastime but a business and a passion and has for ages been so, owing probably to their admirable links. This pursuit actually draws many a middle-aged gentleman whose stomach requires exercise and his purse cheap pleasure, to reside here with his family (cited in Willshire, 2003, p. 23).

For many years, the number of visiting golfers was small, and even after the Open tournament was held at St Andrews for the first time in 1860 (Mackie, 1997) few people came to St Andrews specifically to play the game. This situation came about partly because those responsible for golf in the town saw little reason to encourage additional players on the courses. Through the 19th century, pressure from local golfers was increasing steadily on the existing (Old) course, resulting in a second course, The New Course, opening in 1895, subsequently followed by the Eden (in 1914) and the Jubilee (in 1946) courses and a practice course (the Balgrove) in 1993.

Throughout the golfing era there has been considerable disagreement over the relative importance of visiting versus resident golfers, the latter having been given priority and free access to the courses, rights that were zealously guarded until the last quarter of the 20th century. The relinquishment of these rights has caused anger and opposition among some residents of the town that still continues. The R&A for example, opposed a licence for the then Grand Hotel as 'they did not want people to come to St Andrews or to have facilities granted to them. The Town Council wanted people to come to St Andrews to boost the economy; the R&A wanted them to stay away because their presence took up

starting times and larger numbers on the course meant bigger maintenance bills' (Jarrett, 1995, p. 34). The establishment of the Royal and Ancient Golf Club and its rise to prominence in the golfing world, along with the fact that the Old Course became the most frequent host of the Open tournament, increased the importance and visibility of St Andrews as a major golfing centre. Crowds increased markedly for the Open tournaments (Burnet, 1990), further drawing attention to the town, as did the popularity of the town with celebrities, some of whom played golf (e.g. the Duke of Windsor, Captain of the R&A in the 1930s). Fig. 10.3 shows the clear predominance given to golf, the principal subject of the advertisement, instead of being one of several elements as shown in Fig. 10.2, and not clearly visible at all in Fig. 10.1. Thus by the inter-war period, golf had become a significant attraction and a key tourist product for the town (Joy, 1999).

The attraction of the combination of these four elements – religious, educational, sand and golf products – to tourists was well established by the second half of the 19th century, as at least ten hotels were established in the town between 1850 and 1900, many still operating today, although often under different names.

Contemporary Issues

The location

One might expect that St Andrews would see itself as rather fortunate to have a multiplicity of what might be termed secondary tourist products existing alongside a very positive tourist image stemming from its primary product (golf), and that this would make the promotion of those products and the development of a clear image of the destination to be relatively straightforward. In reality, the situation is rather different, owing in part to the nature of St Andrews and its population, and in part to external developments and intrusions. In this, St Andrews is like many

Fig. 10.3. The emergence of the tourist product based on golf tourism in St Andrews.

tourist destinations which, although heavily involved in tourism, rarely have complete control over their development and equally rarely have homogeneity when it comes to resident attitudes about their community and its relationship with tourism (Johnson and Snepenger, 2006; Martin, 2006). The St Andrews population is unlike that of other small market towns in Scotland, primarily as a result of its history and its physical situation. It is relatively isolated at the end of the Fife peninsula, with quite difficult access. The nearest rail station, as noted earlier, is 7 miles away, while the nearest airport of note is Edinburgh (50 miles away), although Dundee (11 miles away) has limited air services; road access, also, is not by any major highway (Jura Consultants, 2006). This has perhaps occasioned a rather introverted view of the world, despite St Andrews' historic links with Europe through its limited harbour, the university and its former ecclesiastical position.

Town population

Of most influence in the outlook of the town is the university. Most contributors to and readers of this chapter will probably agree that university academics are not representative of the population at large. If nothing else they are generally better educated and informed, more articulate and confident and, in many cases, perhaps somewhat out of touch with 'the common man', often being more liberal and extrovert in their beliefs and more inclined to take action, particularly of a political bent, if they disagree with decisions such as local developments. As St Andrews is a very attractive town in which to live, possessing a live theatre as well as a high amenity value and attractive landscape, it attracts a considerable number of retirees, including many who have worked at the university. This segment of the population, as in many high-amenity locations, is zealous in defence of the inherent attractions that drew them to the location, and is often prepared to oppose any and all developments which are seen as threatening to that amenity and quality of life. In some cases, as will be noted later, university developments are not exempt from

such opposition. The university also has an influence by virtue not only of the number of its employees who live in the town but particularly because of the number of students, some of whom are eligible to vote in local elections and can be a strong lobby and interest group, although they are most often likely to find themselves castigated as the source of problems rather than the solution.

As one of the only two sizeable communities in the north east of Fife (along with Cupar some 8 miles away), St Andrews is also a local retirement centre for former rural residents and others. Finally, some 7 miles away is the Royal Air Force base at Leuchars, one of the few remaining substantial active bases in the UK, playing a major role in air defence and operational training, as well as being an air–sea rescue base. A number of personnel live off base, some in St Andrews, providing another segment of the town's population whose origins are almost all out of the region and often out of Scotland. Thus, the town has a disproportionate number of its population who originated elsewhere and might be expected to have different views and beliefs from the 'native' or indigenous population. The presence of a truly international university means that the percentage of people living in St Andrews, even if for only part of the year (September to June), who originate outside the UK, is much higher than might otherwise be expected. One effect of the above influences is that the cost of accommodation in St Andrews is significantly higher than for equivalent communities in the country as a whole, and house prices are perhaps as high as 30% more than those in neighbouring communities in Fife. This situation is aggravated by the limited physical space within the town, which restricts further new residential development, and has the effect that a high proportion of people employed in lower paid occupations cannot afford to live in St Andrews and have to commute each day from outlying communities. All of these factors contribute to a distinctive and unique composition of the resident population of the town and help to explain some of the views towards the still-evolving tourist product, which is often seen as responsible for some of the local 'problems' noted above.

Local government

A complex situation has been aggravated over time by other developments affecting the town. One of the major influences was local government reorganization in the 1970s. This could have been expected to be of little relevance to tourism, as tourism has never been given great importance in the UK at either national or sub-national level. However, in St Andrews it had the potential to have a major effect. Until 1975, planning and development issues were handled by the then Fife County Council, with the local level of government being St Andrews Burgh Council. During discussions of forthcoming changes it became likely that Fife would disappear as an administrative entity, and be subdivided into West and East Fife, the latter, including St Andrews, to come under the control of Tayside and the town of Dundee. This caused great concern as residents viewed the loss of local control to be a serious problem, and coming under the control of Dundee to be even worse. Scottish local politics can be a complex and heated almost tribal affair with marked political divisions along major party lines at the local level, and Dundee was seen as industrial and labour (left wing) dominated, compared with middle of the road or slightly right of centre rural interests. Of greater concern to St Andrews' residents was the fact that the golf courses, owned by the local authority, would then fall under the control of bodies outside St. Andrews, along with the fear that local playing privileges might be lost (Jarrett, 1995). Even when the decision was made to maintain Fife as an entity at the regional level, local feeling was (and still is, based on opinions expressed in the local newspaper, the *St Andrews Citizen*) that coming under the control of West Fife (the industrial towns there having the majority of Fife's population and hence voting power) would be as bad as being under the control of Dundee, and for the same reasons.

The result was that the St Andrews Town Council obtained an Act of Parliament establishing the St Andrews Links Trust, ensuring that the control and management, if not the ownership, of the golf courses remained in the town. The composition of the Links Trust, a non-profit making body, was to include four members chosen by the R&A and four nominated by the council. Despite this arrangement, many residents appear to feel they have suffered from the process, with the R&A members and out-of-town golfers benefiting more from the changes than the locals. The distrust of St Andrews citizens with the political powers outside the town is not confined to golf; frequent criticisms are published in the *St Andrews Citizen* about a perceived lack of concern by Fife District Council with respect to issues such as road maintenance, flood prevention, traffic and parking schemes, and planning decisions, especially those related to the approval of development proposals and general service provision. The feeling is that St Andrews generates large amounts of money for Fife Council that are based heavily on tourism and the university, but receives little in return.

Image and popularity

The rather fortunate clustering of attractions in St Andrews has meant that the town is regularly listed as being among the most popular communities in Scotland in terms of tourist numbers, sometimes just behind Edinburgh and Glasgow, especially in years when the Open golf tournament is held there (2000, 2005, 2010 in recent years), and it is rarely out of the top ten Scottish tourist attractions. Despite this, the marketing and promotion of the town has not been as successful as its potential would suggest, if success is measured in terms of visitor spend and tourist numbers. This is primarily the result of the numbers of differing viewpoints about the role and importance of tourism to the town and the image of the town that should be marketed, and considerable variation in opinions about the part that should be played by golf in such promotion and in visitor attraction. Attempts to promote the town more aggressively have met with opposition (Bennett, 2008), partly because of poor communications and partly because promotion of tourism, especially golf, is seen as threatening local privileges and likely to result in further

physical development in an already congested and expensive small town.

At the present time, St Andrews has a multifaceted image that is appreciated at different scales by different elements. It is a traditional market town serving its rural hinterland. It is close to and influenced by a major military establishment, with some minor issues of noise pollution. It is a major academic centre with one of the most successful and respected, albeit small, universities in Britain, being ranked 6th in the UK in 2010 (*St Andrews Citizen*, 2010). It is a site of significant cultural and historic built heritage. It possesses two magnificent beaches and a picturesque harbour. Finally, and of global significance, it is The Home of Golf, possessor of the most iconic golf course in the world, host of the ruling body for golf in most of the world, and equipped with golf courses and related facilities more extensive than anywhere else in Europe, if not globally (St Andrews Links Trust, 2008). Not surprisingly, therefore, because these different images receive approval and disapproval by various segments of the residents of the town, its tourist product is complex and somewhat divisive within the community.

Contemporary Tourist Products

The religious product

The ruins of the cathedral and the bishop's castle are major cultural and historic heritage features of St Andrews, and often feature in publicity material for the town. They are managed by Historic Scotland, which operates a visitor centre at the castle, and a small charge is made for the entry of non-residents. Historic Scotland is an agency of the Scottish government, and looks after over 300 properties across Scotland; it is 'charged with safeguarding nation's historic environment and promoting its understanding and enjoyment' (Historic Scotland, 2010). The ruins of the cathedral and the bishop's castle also serve as a backdrop for medieval re-enactments several times during a year, and in 2009 were the setting for a series of 'son et lumière' events

associated with St Andrews' Day celebrations (30 November). There are also other buildings associated with the religious function of St Andrews located in the vicinity of the cathedral, but these are not open to the public, although they form part of the attractive medieval south end of the town at the confluence of the three streets running west to east. At the west end of South Street is the West Port, the original western entrance to the town, dating from the 1580s, one of the best examples of a fortified town port (gate) remaining in Scotland, and still functioning as the main entrance to the town for vehicles under three tons. The religious heritage is currently a major part of the amenity and appeal of the town to visitors and a key element in the tourist product of St Andrews.

The University

The University of St Andrews is clearly a major player in the development and image of the town, and hence the tourist product of the town. Its popularity with potential students is high, and it attracts a higher proportion of overseas students to its undergraduate courses (37%) than any British university apart from Oxford and Cambridge. Its appeal increased dramatically in the early years of this century when Prince William became a student there, with student applications increasing by 44% in the year he enrolled. This 'product' has steadily increased in strength in proportion to the increasing enrolment of the university, currently standing at 7200 students (St Andrews University, 2010); it is reflected not only in the numbers of students enrolled at the university, but the resulting visitation from parents, other family members and friends, which, although unmeasured, is considerable, particularly in late September when students start their studies, and even more so in June when they graduate. Almost all hotels, many of the smaller accommodation establishments and a high proportion of self-catering establishments are fully booked at this latter time (Brown, E., real estate agent, personal communication, 2003). In addition, there are visits

from prospective students, and those seeking accommodation for their study years, and also many visitors to the university such as invited speakers and presenters, delegates to conferences using university accommodation and other academics.

As the major employer in the town and thus a major factor in economic input, the university cannot be said to have had a highly beneficial impact on the planning and development of St Andrews from an amenity point of view. Some of the worst examples of unsympathetic physical development in the town belong to the university, partly reflecting its influence and its recent (post 1960s) focus on its budget, and partly reflecting the development focus of the district planning element of Fife Council which has allowed the structures to be located in inappropriate locations with what are generally perceived to be unattractive exterior appearances. The main road entrance to St Andrews passes the science campus on the North Haugh, which appears to compete with the Old Course Hotel across the road to provide the least appropriate visual backdrop for entering a medieval town. Other unattractive and unsuitable buildings exist in St Andrews apart those belonging to the university, so the university is not alone in detracting from the amenity of the town, but one might have expected that an institution which has been an integral part of the community for almost 600 years, with departments such as Art History, would have been a more considerate member of the community when proposing new developments. This pattern continues, with the university being part of a consortium putting forward a large-scale housing and related development on the outskirts of the town in the ongoing planning consultation process, a proposal which has received substantial opposition on amenity and traffic grounds by bodies such as the St Andrews Conservation Council. In the very recent past (February 2010) the university has received favoured status in being confirmed as future owner of the Madras College (high school) campus in the heart of the town, in exchange for a much less attractive and central site, as the location of a to-be-constructed replacement school.

The university is therefore a major player in the development of the town and its products for the visitor. In total it employs over 2000 staff and its annual income is in excess of £129 million (St Andrews University, 2010). Interestingly, and perhaps surprisingly, the university has no history of involvement in tourism in the context of education. It hosts a number of conferences each year and its halls of residence are available to tourists during the summer when students are not on campus. Other than that, its role in the tourist product is passive rather than active. Tourists are allowed to walk through the quadrangle on North Street, and the garden behind St Salvator's College on South Street, and several other buildings are highly photogenic and frequently photographed. Thus it is more as a part of the historic heritage and the source of several thousand 'educational tourists' that the university continues to play a part in tourism in the town.

The beach product

St Andrews has two beaches, the East Sands and the West Sands, the latter running alongside the Old and the Jubilee Courses from the Scores to the Eden Estuary. The West Sands are backed by dunes, the front line of which provides the links over which golf is played on the four main courses. The West Sands stretch for some 2 kilometres, and their gradient is such that their width ranges from around 80 metres to 400 metres depending on the tide. They have featured in a number of films, most noticeably Roman Polanksi's *Macbeth* and, as already noted, most famously in the opening scenes of the Oscar-winning film, *Chariots of Fire*, in which the cast run along the sands and cross the disguised first tee of the Old Course to enter what is supposed to be a hotel in Broadstairs in Kent, England, but in reality was Hamilton Hall, a former hall of residence then belonging to the University. The East Sands extend for several hundred metres from the old harbour on the southern edge of the town, and have a similar attractive gradient for beach users as well as quite often having waves that attract surfers.

It is the West Sands that attract most visitors, partly by virtue of their greater length and the familiarity resulting from their movie coverage, but more because they have a greater range of visitor services. The road running behind the dunes allows easy access and parking for cars and coaches, and to the provided toilet facilities and snack bars, a superb putting green and the golf visitor centre, and is reached easily from the centre of town. The fact that the West Sands are adjacent to the first tee of the Old Course and the British Golf Museum, and several hotels, and can also be accessed by walking across the fairways of the first and eighteenth holes of the Old Course, make them a natural centre for many visitors as well as for those actually intending to use the sands for beach activities and bathing.

Beach-dominated tourism in St Andrews began following the opening of the railway in 1852. The line originally ran alongside the Old Course and had to be diverted to avoid the seventeenth green, and trains were a source of annoyance and disturbance to golfers because of their proximity and noise. Some 7000 tourists visited St Andrews, most travelling by rail in 1914 (Willshire, 2003, p. 22). The loss of the railway line in 1969 affected this segment of the market, but by that date most tourists in Britain had begun to travel by car. Since then, St Andrews, like almost all UK coastal resorts (Shaw and Williams, 1997), has suffered from competition from continental European resorts and those further afield as air travel has replaced rail travel. Most tourism relating to the beaches now is by private car and heavily concentrated at the summer weekends. The addition of an aquarium has added slightly to the appeal of the town to family groups, but the market is a shadow of what it was half a century ago. There is still a reasonable tourist market for self-catering accommodation, particularly of the higher quality student flats, which would otherwise be vacant during the summer months (Brown, E., Real Estate Agent, personal communication 2004), but this has declined noticeably over the last three decades (personal observation). For many non-golfing visitors to St Andrews, their visit is of one day's duration or at most one overnight stay, and involves walking around the town, visiting the historic core and buildings of the town and the West Sands, along with the Golf Museum and Aquarium. A considerable number of coach-borne visitors come to the town in the summer months, with many fewer coach trips taking place at other times throughout the year. In general such tourism is important to retail outlets and food and beverage suppliers, but provides a relatively small part of the total annual spend of tourists in the town.

Golf tourism

As the 'Home of Golf' (VisitScotland, 2008) and possessor of the most iconic golf course in the world, St Andrews is regarded as the 'Mecca' of golf and as such attracts many 'pilgrims' each year (Tobert, 2000; MW Associates, 2006). Such is the difficulty of getting to play on the Old Course (see below) that some visitors have to be content with simply being photographed standing on the first tee with the R&A clubhouse behind them. To others, being able to walk the Old Course on Sundays, when it is closed (except for the Open and a very few other tournaments) is enough. It is to play golf at St Andrews, however, that most golfers come to the town, and its lure is not confined to 'ordinary' golfers alone. Many of the icons of the game, from Bobby Jones to Jack Nicklaus and Tiger Woods, have commented on the unique experience of playing (and especially winning) at St Andrews, and regular media coverage of the Open and other international tournaments not only adds to the image of St Andrews, but also provides a massive but immeasurable amount of free publicity to a global audience of golf enthusiasts and others.

The preservation of the courses as publicly owned facilities with control being vested locally did not come easily. It has taken no less than six Acts of Parliament over the years (Jarrett, 1995) to secure the creation of the Links Trust which, as noted above, has management control over the courses in conjunction with local authority ownership of

the courses. Even these arrangements have resulted in the loss of considerable privileges once enjoyed by residents of the town, including free golf over the courses. Now they have a limited number of guaranteed starting times on the Old Course, but only children resident in the town under the age of 18 can play all courses except the Old free of charge. There has been continuous friction between the R&A and the town residents over management issues of the courses, not over the quality of management but over charges, priorities and privileges. The development of a seventh course in 2008, costing several million pounds, was another source of controversy, particularly as that course, the Castle, is several miles out of town, is not a links course, being created out of farmland, and is not expected to relieve pressure on the Old Course in particular.

Irrespective of these issues, the management and ownership of the primary courses in St Andrews, and particularly of the Old Course, is undoubtedly what attracts so many visitors to the town. During the summer many of the courses are operating at or near capacity (St Andrews Links Trust, 2009). The result is that over 150,000 rounds of golf are played on the courses in the town annually, of which around 40,000 are on the Old Course. The time between starts on the Old Course has been reduced to 10 minutes, the minimum time period considered safe, and thus, as the maximum size of each group is four, and the course is open for a maximum of 10 hours as day, only approximately 240 people can be accommodated on the Old Course each day. Demand is far in excess of this, and thus a ballot is in operation whereby those desiring to play enter their names the day before they wish to play, and by late afternoon a list is produced of those who have 'won' a starting time the next day. The odds are against any particular individual being successful in the ballot, so visitors may stay a week in the town and be unable to play the Old Course (Woodcock, M., St Andrews Links Trust, personal communication, September 2009). This does not seem to deter golfers. A proportion of starting times are reserved for locals, and more for members of the R&A under the agreement made many

years ago in return for their management of the Old Course, and some starting times have been sold under an agreement with a private group which offers golf packages that guarantee a starting time on the Old Course. As part of this latter agreement, golfers have to take a 4 day package, and pay, even if they do not play, for a round on another course in St Andrews and also for golf on other Scottish courses. Some hotels have also secured starting times. To long-term residents who can still recall when citizens had privileges closer to those which existed a century ago, such arrangements are a source of constant frustration and annoyance.

The friction between local golfing residents, the Links Trust, and the R&A is often visible in letters to the editor of the local newspaper. In general, however, there is little annoyance apparent over the complicated arrangements and the restrictions that are enforced when the Open is played at St Andrews, which normally involve not only the other links courses being closed for play for several days, but also severe restrictions being imposed on access to the town, and on parking, even for residents. Shopkeepers claim to receive little benefit from the Open being staged in the town, 'everyone is down at the links and no one comes to the town' (shopkeeper, personal communication, 2009), but restaurant and bar owners, taxi drivers, and residents and other landlords making their properties available for rent to visitors and players, gain very handsomely (personal observation).

Golf shows no signs of declining in popularity and the attraction of St Andrews is increased by the regular presence of leading golfers and celebrities (including among others, Prince Andrew, ex-President Clinton, and Samuel L. Jackson) in the town. The town benefits greatly also from the fact that overseas visitors to St Andrews on average spend more per day than foreign visitors in any other town (*St Andrews Citizen*, 2009). The development of other courses in the vicinity of St Andrews, and another five-star hotel a few miles out of town, have made the golf product even more attractive in the last decade, and by far the dominant tourism product of the town.

Conclusion

St Andrews has had a remarkably long time as a tourist attraction and its life cycle as a destination is far longer than that of most communities. The tourism product has changed in priority and focus several times throughout the history of the town, over the 1000 years or so during which it has been visited by travellers. Its life cycle over this time has seen a number of fluctuations and does not represent the typical asymptotic curve of a product's growth, but rather a series of waves as the different products have appeared and gained in popularity. In this, St Andrews' pattern of development as a tourist destination is perhaps closer to that of the 'retail wheel' discussed by Coles (2006) than to that of a destination relying on a single product. It is interesting to note that three of the four products that have attracted tourists to the community (the religious features, the university and, most lately, the golf courses) have benefited from strong and effective management, while the attribute most typical of tourism (the beaches) has suffered somewhat from uncoordinated management and promotion. The religious and beach attributes have both declined over the years, the former being converted mostly to built heritage, but the university and golf products are both continuing to grow with little evidence of a reduction in demand likely over the medium term.

From those seeking religious salvation to those seeking an education, followed by those wishing to use its beach resources, to those desirous of testing their abilities on the Mecca of golf, St Andrews has modified its image and offerings to visitors. The development of the product has been evolutionary in nature, with one set of attractions declining in popularity to be replaced or superseded by another, and in many respects the products have emerged devoid of specific designation as tourist products per se. The town did not market itself as a religious site, although the Church did, and the University in its early centuries at least did not see its students as tourists. The town did, and still does, encourage summer visitors to its beaches, and actively promotes the town as 'The Home of Golf' but the development of the latter attraction in particular has been undertaken primarily by other agencies. Vestiges of all four types of product are still visible today; there are a few religious tourists each year, including religious 'camps' of young Christians; the university is larger and more international than at any other time in its 600 year history; the beaches still attract several hundred people on summer weekends in particular; and golfers continue to arrive in ever-increasing numbers, which likely to increase yet again after the 2010 Open tournament. It appears unlikely that the tourism product of St Andrews will change appreciably in the future, but a person writing in 1387 when 33,000 pilgrims visited the town, or in the 1400s after the university had been founded, would never have imagined that people would be coming to sunbathe on the beaches or to play golf on the as-yet-incomplete set of holes in the links. One can reasonably expect that the relative importance of the four components of the tourism product of St Andrews will continue to evolve in the future, but that the addition of significant new products seems unlikely.

References

Agarwal, S. (2006) Coastal resort restructuring and the TALC. In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 2, Conceptual and Theoretical Issues*. Channel View Publications, Clevedon, UK, pp. 201–218.

Baum, T.G. (2006) Revisiting the TALC: is there an off-ramp? In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 2, Conceptual and Theoretical Issues*. Channel View Publications, Clevedon, UK, pp. 219–230.

Bennett, F.M. (2008) Does tourism based on golf represent a sustainable future for St Andrews? BA thesis, Strathclyde University, Glasgow, UK.

Burnet, B. (1990) The St Andrews Opens 1873–1984. *The Open at St Andrews.* Sportsprint Publishing, Edinburgh, UK.

Butler, R.W. (1980) The concept of a tourist area cycle of evolution and implications for management of resources. *The Canadian Geographer* 24, pp. 5–12.

Butler, R.W. (2005) The influence of sport on destination development: the example of golf at St Andrews, Scotland. In: Higham, J. (ed.) *Sport Tourism Destinations.* Elsevier, Amsterdam, pp. 274–282.

Butler R.W. (ed.) (2006a) *The Tourism Area Life Cycle, Vol. 1, Applications and Modifications.* Channel View Publications, Clevedon, UK.

Butler, R.W. (ed.) (2006b) *The Tourism Area Life Cycle, Vol. 2, Conceptual and Theoretical Issues.* Channel View Publications, Clevedon, UK.

Cant, R.G. (1992) *The University of St Andrews: A Short History.* Oliver and Boyd, London.

Carnegie, G.F. (1813) Glory regained. Cited in: Roberston, J.K (1967) *St Andrews Home of Golf.* J. & G. Innes, Cupar, UK, p. 47.

Coles, T. (2006) Enigma variations? The TALC, marketing models and the descendants of the product life cycle. In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 2, Conceptual and Theoretical Issues*. Channel View Publications, Clevedon, UK, pp. 49–66.

Doxey, G.V. (1975) A causation theory of visitor–resident irritants: methodology and research inferences. In: *Proceedings of the Travel Research Association 6th Annual Conference.* Travel and Tourism Research Association, San Diego, California, pp. 195–198.

Gunn, C.A. (1993) *Tourism Planning: Basics, Concepts, Cases.* Taylor & Francis, Washington, DC.

Historic Scotland (2010) Historic Scotland website. Available at: http://www.historic-scotland.gov.uk/index.htm (accessed September 2010).

Jarrett, T. (1995) *St Andrews Golf Links – The First 600 Years.* Mainstream Publishing, Edinburgh/London.

Johnson, J.D. and Snepenger, D.J. (2006) Residents' perceptions of tourism development over the early stages of the TALC. In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 1, Applications and Modifications.* Channel View Publications, Clevedon, UK, pp. 222–236.

Joy, D. (1999) *St Andrews and the Open Championship: The Official History*. Sleeping Bear Press, Chelsea, Michigan.

Jura Consultants (2006) *St Andrews Town Audit and Action Plan*. Prepared by Jura Consultants in association with Lambie Gilchrist Consultancy, Edinburgh, UK.

Lagiewski, R.M. (2006) The application of the TALC model: a literature survey. In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 1, Applications and Modifications.* Channel View Publications, Clevedon, UK, pp. 27–50.

Lewis, P.N., Clark, E.R. and Grieve, F.C. (1998) *A Round of History at the British Golf Museum*. Inglis Allen, Kirkaldy, UK.

Mackie, K. (1995) *Golf at St Andrews.* Aurum Press, London.

Mackie, K. (1997) *Open Championship Golf Courses of Britain.* Aurum Press, London.

Martin, B. (2006) The TALC model and politics. In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 1, Applications and Modifications.* Channel View Publications, Clevedon, UK, pp. 237–249.

MW Associates (2006) *Survey of Visiting Golfers at St Andrews 2004/5: Summary Report.* MW Associates, Edinburgh, UK.

Price, R. (1989) *Scotland's Golf Courses.* Aberdeen University Press, Aberdeen, UK.

Putter, J. and MacLean, C. (1995) *The Feast of Images: St Andrews Golden Age 1460–1560*. McLean Dubois, Edinburgh, UK.

Russo, A.P. (2006) A re-foundation of the TALC for heritage cities. In: Butler, R.W. (ed.) *The Tourism Area Life Cycle, Vol. 1, Applications and Modifications.* Channel View Publications, Clevedon, UK, pp. 139–161.

Shaw, G. and Williams, A. (1997) *The Rise and Fall of British Coastal Resorts.* Cassell, London.

St Andrews Citizen (2009) St Andrews tops UK visitor spend league. 24 July 2009, p. 3.

St Andrews Citizen (2010) University ranked 6th in UK. 28 May 2010, p.1.

St Andrews Links Trust (2008) *A Year at St Andrews.* Highpoint Media, Idle Hill, Sevenoaks, UK.

St Andrews Links Trust (2009/2010) St Andrews Links website. Available at: http://standrews.org.uk/ (accessed various dates in 2009/2010).

Staachura, M. (2000) *Golf's Shrines – Pebble Beach and the Old Course – Under Assault.* New York Times Company Magazine, New York.

Tobert, M. (2000) *Pilgrims in the Rough: St Andrews beyond the 19th Hole.* Luath Press Ltd, Edinburgh, UK.

University of St Andrews (2010) Facts and Figures. Available at: http://www.st-andrews.ac.uk/about/Factsandfigures/ (accessed September 2010).

VisitScotland (2008) *The Official Guide to Golf in Scotland: The Home of Golf.* PSP Publishing, Glasgow, UK.

Willshire, B. (2003) *St Andrews Ancient City in the Twentieth Century*. Librario Publishing, Kinloss, UK.

11 Distribution Channels in Destination Marketing and Promotion

John Kracht and Youcheng Wang

─────────────

Introduction

A tourism distribution channel is a system of intermediaries, or middlemen that facilitates the sale and delivery of tourism services from suppliers to consumers (Buhalis and Laws, 2001). Tourism distribution channels have attracted a tremendous amount of attention in the last decade owing to the important role that they play in the tourism industry (Pearce and Schott, 2005). Specifically, distribution channels can serve as part of the marketing mix that makes the products available to consumers, as the link between the suppliers of tourism products and their end consumers, as well as the bridge between supply and demand (Gartner and Bachri, 1994). The structure of the tourism industry distribution system not only affects the choices available to the consumer, but also the business models and marketing strategies adopted by the various channel participants (Pearce *et al.*, 2004). The impact of information technology since the advent of the World Wide Web has significantly changed, and even transformed, the structure of tourism distribution (Buhalis and Laws, 2001; Wang and Qualls, 2007). This evolution and transformation of tourism distribution channels, particularly facilitated by information and communication technology, has resulted in greater choice for the consumer, increased competition for distribution

participants, and a more complex industry structure (O'Connor and Frew, 2002; Buhalis and O'Connor, 2005; Granados *et al.*, 2008; Longhi, 2008).

Information and communication technology advances have introduced complexity to the tourism distribution system with various permutations: adding additional layers of intermediation, disintermediating certain players by bypassing the traditional intermediaries owing to the possibility of direct communication between suppliers and consumers that is provided by technology, and the emergence of reintermediation processes whereby existing players, by adapting to the changing market environment and embracing new technology, provide value-added intermediation services (Buhalis and Law, 2008). While this technology-induced structural change offers more choices to consumers, it also fosters an environment of fiercer competition for channel participants (Pearce *et al.*, 2004).

This chapter provides insights into the change of the structure of tourism distribution that has not been extensively explored. The complexity of the tourism distribution structure has, however, been diagrammatically depicted multiple times (Werthner and Klein, 1999; Anckar and Walden, 2000; Chircu and Kauffman, 2000a; Alamdari, 2002; Buhalis and Licata, 2002; O'Connor and Frew, 2002; Ma *et al.*, 2003; Buhalis and O'Connor, 2005;

Bowden, 2007; Granados *et al*., 2008; Longhi, 2008), and each depiction has contributed to a fuller understanding of the body of knowledge by focusing on different aspects of that structure. This study builds upon those valuable knowledge contributions by focusing on the evolution of the structure over time, and systematically and diagrammatically revealing the progressively larger number of intermediation layers, in spite of concurrent disintermediation and reintermediation activity. In the process, the study does not focus on every action of every participant in detail, but rather on categories of intermediaries, looking at pioneering examples of each. Likewise, the comparative rates of technology adoption in different regions of the world are not investigated.

From a practical perspective, the effective use of distribution channels depends on a sufficient understanding of the evolution and transformation of such channels in the tourism industry. However, a review of previous literature on tourism distribution channels reveals that research in this area has been fragmentary in nature, limited in scope and narrow in perspective. While there are studies dedicated to consumers' use of distribution channels in information searching for and consumption of tourism products and services (Pearce *et al*., 2004; Pearce and Schott, 2005), the majority of research in this area has largely focused on issues from a supply-side perspective by giving emphasis to suppliers and intermediaries as well as the relationships between these intermediaries in their efforts to reach consumers (Buhalis and Licata, 2002; Choi and Kimes, 2002; O'Connor and Frew, 2002; Buhalis, 2004). In addition, most of these studies have adopted a static and cross-sectional approach in examining the structure and use of tourism distribution channels without considering their historical evolution and progression, which is not only important in understanding where we are now as an industry, but also in understanding where we came from and where we are heading. Hence, the purpose of this study is to: (i) examine the evolution of tourism distribution channels from a historical perspective; (ii) understand the major structural changes of tourism distribution channels since the advent of the Web; and (iii) examine the role of information and communication technology in the evolution and transformation of tourism distribution channels.

The Intermediation Terminology

In order to provide a clear framework for the discussion of the structure of tourism distribution channels, it is useful to define some of the most important terminologies associated with the intermediation process. In the literature, there are a variety of terms derived from the root word 'intermediate', which means to act as a middleman. Different researchers use various derivations of the term in different ways. For example, the term 'disintermediation' is commonly used to refer to the partial or complete replacement of an intermediary or the functions it performs. The term 'reintermediation' is used to refer to the process in which intermediaries that have been disintermediated first are reasserting their intermediary role (Giaglis *et al*., 1999; Chircu and Kauffman, 2000b; Golden *et al*., 2003; Tse, 2003; Walden and Anckar, 2006; Bowden, 2007; Granados *et al*., 2008). However, variation exists in different studies by different researchers. For example, some researchers use reintermediation to describe only the entrance of new intermediaries into the travel distribution system (McCubbrey, 1999; McCubbrey and Taylor, 2005), whereas others use reintermediation to include both the re-entrance of disintermediated intermediaries and the entrance of new ones (Palmer and McCole, 1999; Gharavi *et al*., 2007).

In referring to intermediaries that perform their middleman activity in the electronic realm, researchers use a wide variety of terms. Sarkar *et al*. (1995, 1998) use the term 'cybermediaries' to refer to those electronic intermediaries that are new to the industry; other authors have followed their lead by using the term cybermediaries in a similar manner (Giaglis *et al*., 1999; McCubbrey, 1999; McCubbrey and Taylor, 2005; Walden and Anckar, 2006; Granados *et al*., 2008; Weaver and Lawton, 2008). Some authors include other words in place of cybermediaries, such as 'e-intermediaries' (Anckar and Walden, 2000;

Anckar, 2003) and 'e-mediaries' (Dale, 2003; Ma *et al.*, 2003; Daniele and Frew, 2004). The term e-mediaries is usually used to encompass not only new electronic players, but also traditional ones, such as computer reservation systems (CRSs), global distribution systems (GDSs), and videotex systems. Buhalis and Licata (2002) further extend the definition to include suppliers, such as airlines and hotels, who utilize the Internet to facilitate commerce directly with consumers. Some researchers (Chircu and Kauffman, 1999, 2000b) even subdivide electronic intermediaries into two subcategories. These subcategories are 'electronic commerce-able' and 'electronic commerce-only' intermediaries, with shortened versions of 'EC-able' and 'EC-only', respectively. Electronic commerce-able (EC-able) intermediaries conduct business not only in traditional ways, but also by means of electronic commerce. In contrast, electronic commerce-only (EC-only) intermediaries begin their participation in the industry by means of the Internet and continue to participate primarily by electronic means.

The Evolution and Transformation of the Intermediation Process

The tourism distribution system has witnessed not only the incremental evolution but also radical transformation since the advent of the Web. In this process of progression and change, the commercial application of the Internet in 1993 serves as a milestone, owing to the introduction of the web browser – which makes the communication between suppliers and consumers possible – into the marketplace.

Before 1993, the traditional tourism distribution system consisted of consumers, traditional retail travel agents, traditional corporate travel agents, traditional tour operators, GDSs, incoming travel agents, switches, destination marketing organizations (DMOs), and suppliers (Fig. 11.1). GDSs, which started as airline CRSs, are technically electronic intermediaries (Buhalis, 1998; Buhalis and Licata, 2002). In the airline sector, traditional travel agents enjoyed the benefits of intermediation as a result of their relationships with GDSs (Malone *et al.*, 1987, as cited in McCubbrey, 1999).

The launch of the first GDS, Sabre, by American Airlines in the 1960s (Sabre Holdings, 2009) resulted in major competition in this area from other players: Amadeus, Galileo, Abacus and Worldspan. Later, hotel CRSs were connected to the GDSs, a process that was facilitated by switches (Sheldon, 1997; Palmer and McCole, 1999; Choi and Kimes, 2002). The switch providers had provided another layer of intermediation insofar as hotel bookings were concerned.

Adding yet another layer of traditional intermediation are incoming travel agents. Incoming travel agents can also be referred to as 'incoming agents', 'inbound agents', 'incoming tour operators', 'ground operators', 'handling agents', or 'receiving agents' (Buhalis and Laws, 2001). Incoming travel agencies primarily serve as intermediaries
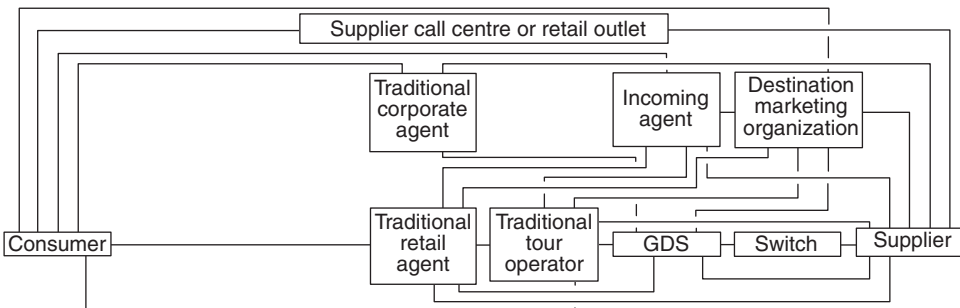
Fig. 11.1.   Structure of tourism distribution channels: pre-World Wide Web era (before 1993) (GDS, global distribution system).

between tour operators and suppliers. That is, tour operators put travel packages together, and those packages are usually handled by incoming travel agencies. According to Buhalis and Laws (2001), there has not been much research in the area of incoming travel agencies. Also, there appears to be no documentation of this category of intermediaries suffering from disintermediation.

Before commercial usage of the Internet, airlines, hotels, and tour operators pursued the disintermediation of other channel participants with direct sales to consumers, including using retail outlets (Anckar and Walden, 2000, 2002; McCubbrey, 1999). They also used toll-free call centres to facilitate disintermediation (McCubbrey, 1999; Palmer and McCole, 1999). While this pre-Web era was not as complex as the current environment of distribution, the use of multiple distribution channels had taken root.

Granados *et al*. (2008) explain that the major GDSs had enjoyed significant power in an oligopolistic distribution environment until technological advances reduced the barriers to entry for substitutes. The major technological advance in that regard was the Internet, which had begun operating in 1969, mainly for military and research purposes (Werthner and Klein, 1999). The commercial usage of the Internet became significant in the 1990s, as companies began leveraging the benefits of the communication protocol of the World Wide Web, which was made freely available to the public in 1993 (CERN, 2003) (Fig. 11.2).

Besides the Internet, there have been other computer networks – online services such as America Online (AOL), CompuServe, Microsoft Network (MSN) and Prodigy. There have also been videotex networks available to consumers, linking terminals that consist of video displays and keyboards. Examples of the latter include Bildschirmtext (Btx), Prestel and Télétel. Online services and videotex services have both been involved in the distribution of travel services (Kärcher, 1996; Kärcher and Williams, 1996); however, only one of them, Télétel, has had a very large base of subscribers. In 1993, Télétel had more than 6 million subscribers using its Minitel terminals, with approximately 2000 services available, while CompuServe and Prodigy, for example, each had about 1 million subscribers and 2000 services (Cats-Baril and Jelassi, 1994). Bildschirmtext had about 250,000 subscribers and 3500 services at that time, and Prestel had approximately 150,000 subscribers and 1300 services (Cats-Baril and Jelassi, 1994). In 1993, all of the online services and videotex services were about to be dwarfed by the user base and accessible services facilitated by the Web. It is the networking implementation of the latter that has brought about the major structural changes to tourism distribution that have evolved to this day.
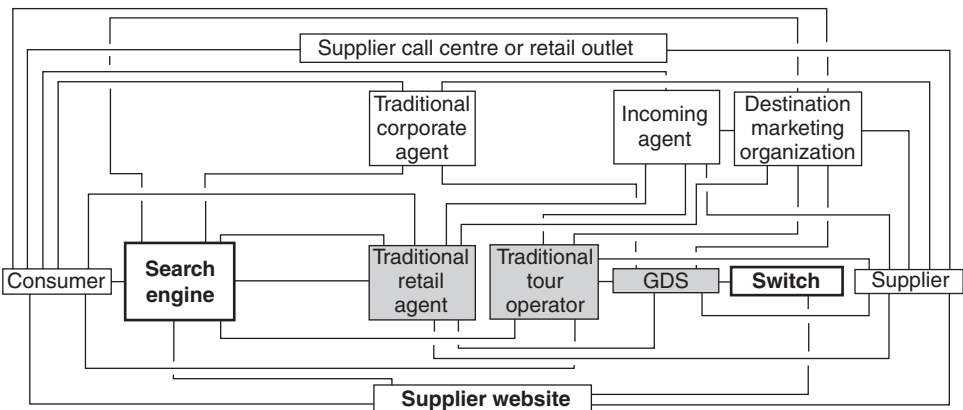
Fig. 11.2. Structure of tourism distribution channels: early World Wide Web era (1993–1998) (GDS, global distribution system).

After the public debut of the Web, suppliers began establishing websites to connect directly with customers, thereby beginning the disintermediation of traditional retail travel agents. For example, airlines were then able to practise disintermediation via multiple channels, including call centres, retail outlets and the Web (McCubbrey, 1999). In addition, even though traditional travel agents have been useful to hotels, hotels also tried disintermediating travel agents by selling directly to customers via the Web (Tse, 2003).

At about the same time that suppliers started disintermediating travel agents, another layer of intermediation began to grow. The first automated search engines, also called robots or spiders, appeared in 1993, and the first to index the entire content of web pages, instead of just titles and Uniform Resource Locators (URLs) (i.e. web page addresses), appeared in April 1994 (Farrelly, 1999a,b; Pinkerton, 1994, 2000), which led to the intermediating role and search services of Google in 1998. By facilitating the inception of this category of intermediaries, Web technology set in motion a structural change that has shifted power to a new centre: the search engines.

Pegasus Systems, Inc. and several hotel chains made the TravelWeb.com portal available to the general public in March 1996 (TravelWeb, 1996), a few months after the October 1995 founding of TravelWeb (Pegasus Systems, Inc., 1997). Pegasus's switch service, the Hotel Industry Switch Company (THISCO), had been facilitating the linkage of hotel CRSs to GDSs since 1989, but the debut of TravelWeb provided consumers with Web access to the central reservation systems of hotels (Pegasus Systems, Inc., 1997; Werthner and Klein, 1999). This disintermediated GDSs by avoiding the paying of GDS fees (Werthner and Klein, 1999). In 2004, Priceline obtained full ownership of TravelWeb, buying the stakes held by several hotels and Pegasus Solutions (Priceline.com, 2004). Now, Pegasus, via its Utell brand, provides hotels with access to consumers directly via the Web, to traditional travel agents via GDSs, and to another category of intermediaries, online travel agents (Pegasus Solutions, Ltd., 2009).

Online travel agents joined the fray in 1995, when the Internet Travel Network (ITN) became the first such online agent to attempt to disintermediate traditional travel agents (Chircu and Kauffman, 1999, 2000a,b) (see Fig. 11.3). In 1996, Sabre, a GDS owner, debuted Travelocity (Sabre Holdings, 2009). Also in 1996, Microsoft launched the online travel agent Expedia (Chircu and Kauffman, 1999). Priceline was launched in 1998; it began by selling airline tickets using a 'demand collection system' in which demand is collected from consumers and communicated to suppliers (Priceline.com, 1998, 2009). Currently, Priceline offers that system, as well as offering the traditional retail method of disclosing prices (Priceline.com, 2009). ITN was eventually rebranded as GetThere, which was later acquired by Sabre in 2000 (Chircu and Kauffman, 2000a).

The online travel agent lastminute.com was founded in 1998 with the purpose of selling airline seats and hotel rooms that were otherwise likely to go unsold (Anderson and Earl, 2000; Buhalis and Licata, 2002). It had an initial public offering (IPO) in March 2000 (Anderson and Earl, 2000), right around the time that many stock market investors realized that Internet firms weren't as valuable as they had seemed, and that some had no prospects of generating profits. Despite the resultant burst of the Internet bubble, and the associated plummeting correction of share prices, lastminute.com and other online travel agents with sound business models survived. In fact, lastminute.com went on to buy a number of other companies during the 2000–2004 time frame (Salzburg Research Forschungsgesellschaft, 2006). This included the August 2000 acquisition of Dégriftour, a successful, pioneering French electronic travel agency which had utilized the Télétel network of Minitel videotex terminals since its founding in 1991, and later used the Web as well (Alzon, 2000). Lastminute.com was in turn purchased by Travelocity in 2005 (Salzburg Research Forschungsgesellschaft, 2006).

Sabre had introduced Travelocity while the former was owned by American Airlines. Later, other airlines targeted the GDSs for disintermediation, introducing the Opodo and Orbitz online travel agencies. Despite this
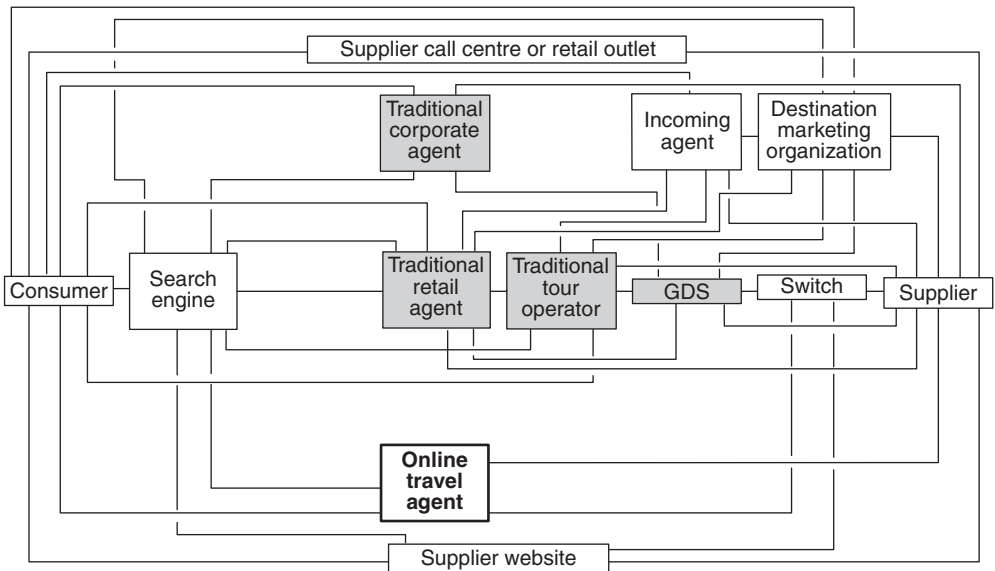
Fig. 11.3. Structure of tourism distribution channels: online travel agents (1995–2002) (GDS, global distribution system).

threat, the GDSs proved their resilience and importance in the distribution chain. Following the example of Sabre in having a stake in an online travel agency, other GDS owners formed relationships with online travel agents, just as they had with traditional agents in the past (Longhi, 2008; PhoCus-Wright, as cited in Hospitality Net, 2002). For example, Opodo associated with Amadeus, and Expedia did likewise with Worldspan (Longhi, 2008). With these relationships, the GDSs had reintermediated themselves (see Fig. 11.4).

Another group of traditional intermediaries, tour operators, also participate in disintermediation and reintermediation efforts, including those facilitated by the Web. Tour operators perform an aggregating function, consolidating travel services into packages (Werthner and Klein, 1999). They are threatened by disintermediation from airlines that vertically integrate into tour operations, as Qantas has done (Dolnicar and Laesser, 2007). Tour operators themselves have engaged in vertical integration, becoming suppliers of air travel with charter airlines on one end of the chain and owners of retail travel agencies on the other end (Harris and Duckworth, 2005;

Dolnicar and Laesser, 2007; Clerides *et al.*, 2008). Regarding the Web, tour operators became Web-able by selling to consumers directly via their own websites (Barnett and Standing, 2001; Anckar and Walden, 2002; Harris and Duckworth, 2005; Buhalis and Law, 2008) (see Fig. 11.4). This is an attempt at disintermediating traditional travel agents and GDSs, as well as reintermediation in relation to the online travel agencies and supplier web portals. Buhalis and Law (2008) note that traditional travel agents, in turn, try to disintermediate tour operators by selling tour packages. Dégriftour became involved in such an aggregating activity in dealing with airlines and hotels directly (Alzon, 2000).

Small, traditional retail travel agents have not fared as well as larger travel agents, tour operators and the GDSs in dealing with disintermediation. The number of small travel agents has been declining (McCubbrey and Taylor, 2005). Interestingly, McCubbrey and Taylor (2005) found that the number of travel agencies in the USA with annual airfare sales in excess of US$10 million had actually increased. This number was at 457 in 1993, dipped down to 394 in 1997, and rose to 485 by 2002 (McCubbrey and Taylor, 2005). While
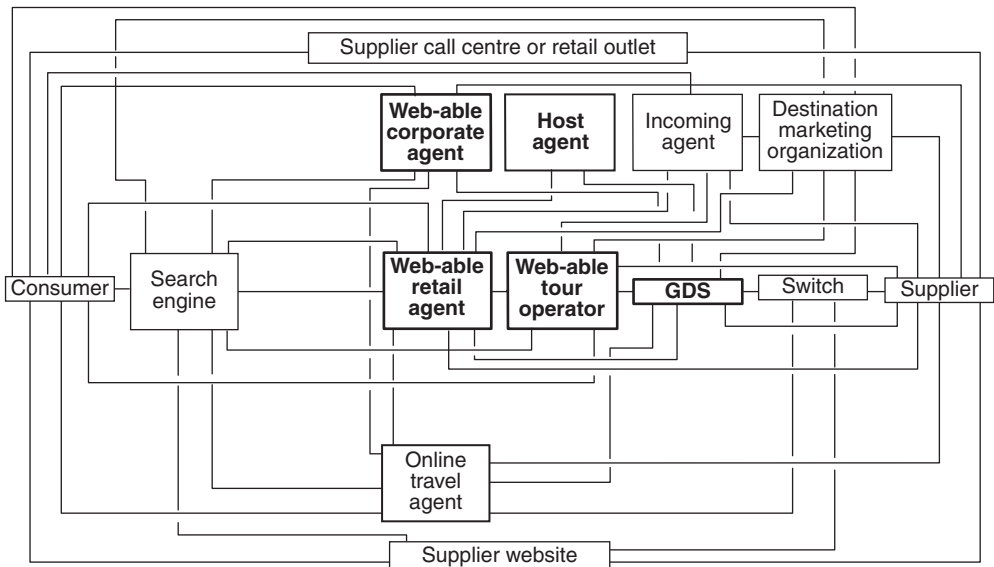
Fig. 11.4. Structure of tourism distribution channels: reintermediation efforts (ongoing) (GDS, global distribution system).

the number of these larger volume agencies increased, the smaller ones had been suffering disintermediation.

Statistics from the Travel Industry Association of America (as cited in Grossman, 2006; see also Travel Industry Association of America, 2004) indicate that, from 1998 to 2004, the number of accredited travel agencies in the USA fell from 32,000 to 21,000. According to *Travel Weekly* (2006), the number of Airlines Reporting Corporation (ARC) travel agents declined from 33,593 in 1995 to 20,003 in 2005. Quinby (2008) indicates that traditional travel agents had 38% of the market in 2007, and that this figure was expected to drop to 33% by 2009. The 2007 figure itself was a drop from the 2006 figure of 41% (PhoCusWright, 2008).

Alamdari (2002) reveals ways that small traditional travel agents can reintermediate themselves; he notes that some smaller agents are merging with larger players or becoming franchisees. This is consistent with the findings of McCubbrey and Taylor (2005) concerning the increase in number of agencies with sales in excess of US$10 million per year. Similarly, Weaver and Lawton (2008) note that home-based travel agents find

relationships with host agencies beneficial (see Fig. 11.4). Bowden (2007) observes that small retail travel agents are reintermediating themselves by becoming home-based travel agents associated with the larger host agencies. For example, host agencies can provide the smaller travel agencies with access to GDSs (NACTA, Inc., 2009). Through affiliation with the International Air Transport Association (IATA), and by means of the communication technology that it facilitates, small travel agents have been able to enjoy closer relationships with airlines and resultant reintermediation (Gharavi et al., 2007).

Corporate travel agents, or travel management companies (TMCs), have also been the targets of Web-facilitated disintermediation. In 2002, Expedia, Orbitz and Travelocity began attempts to disintermediate TMCs (Michels, as cited in McCubbrey and Taylor, 2005) (see Fig. 11.3). Major TMCs have resisted such disintermediation efforts. For example, Carlson Wagonlit Travel had US$25.5 billion in sales in 2007, a 30% increase over the US$19.6 billion figure of the year before, and the culmination of a steady increase from US$8.9 billion in 2003 (Carlson Wagonlit Travel, 2008). Similarly, the American Express

Global Corporate Travel division enjoyed US$20.5 billion in sales, an 11% increase over the US$18.5 billion figure of the year before (American Express Company, 2008).

In 2000, an additional layer of intermediation arrived in the form of a new category of cybermediaries, 'meta-search engines', when SideStep launched its meta-search webbrowser toolbar plug-in product; SideStep later launched its meta-search website in 2005 (SideStep, 2000, 2005) (see Fig. 11.5). Meta-search engines search the online travel agency sites, as well as supplier sites, thereby adding an additional level of intermediary function (Granados *et al.*, 2008). One of them, Kayak, was conceived by founders of the online travel agencies Expedia, Orbitz and Travelocity (Kayak.com, 2009). Kayak now owns SideStep (Kayak.com, 2007). Other meta-search engines include Bing Travel, Dohop, FareCompare, Mobissimo, Momondo and Skyscanner.

While small, traditional travel agents have recently enjoyed closer relationships with the airlines, the GDSs have faced another challenge that involved those suppliers, which started in 2005. After their first unsuccessful attempt to disintermediate the GDSs,

airlines again tried such a gambit by partnering with 'GDS New Entrants', also known as 'Global New Entrants', or 'GNE's' (Longhi, 2008) (see Fig. 11.5). These GNEs include Farelogix, G2 Switchworks and ITA Software. ITA Software had developed the search technology for Orbitz (Granados *et al.*, 2008). The GNEs offered the promise of replacing the services provided by GDSs at a much lower price (Citrinot, 2005; Travel Technology Update, 2005).

The GDSs survived this threat too, negotiating contracts with the airlines, although it is possible that the airlines were able to use the GNEs as a bargaining tool (Field, 2007; McDonald, 2007) (see Fig. 11.6). Perhaps spurred by the impetus of such new-entrant threats, GDSs have continued the technological overhauls that had begun before the arrival of the GNEs. Travelport GDS even acquired the intellectual property and software of one GNE, G2 Switchworks (EyeforTravel, 2008b). Regarding ITA Software, while it continues to offer its airline seat distribution system as a low-cost alternative to GDS services, its list of airline customers does not include references to them using that seat distribution system
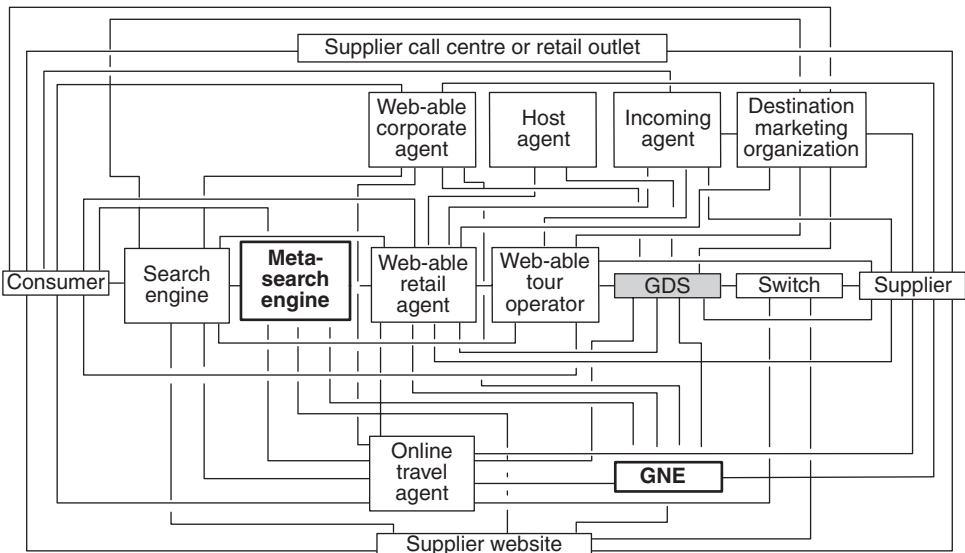
Fig. 11.5. Structure of tourism distribution channels: meta-search engines and GNEs (2000–2005) (GDS, global distribution system; GNE, global new entrant).
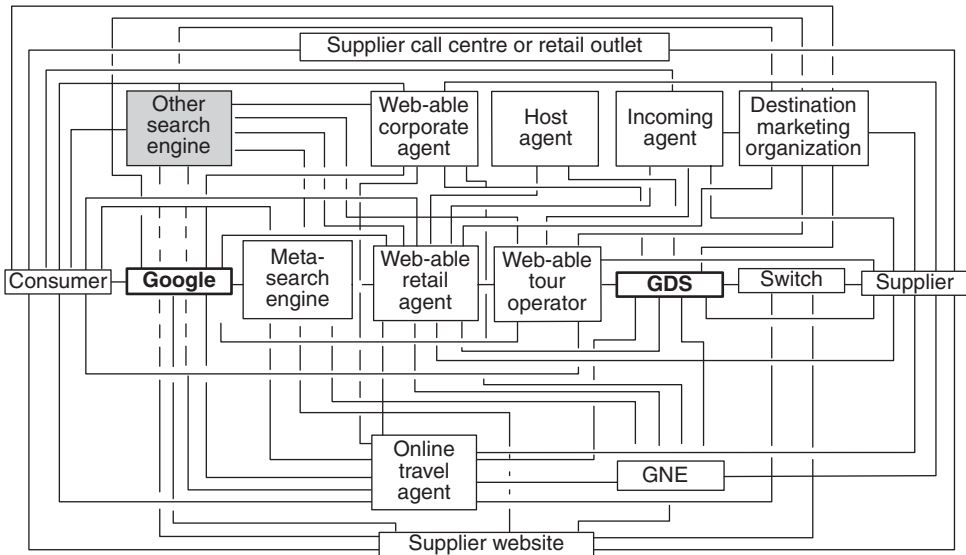
Fig. 11.6. Structure of tourism distribution channels: GDSs and Google web browser (2005–2009) (GDS, global distribution system; GNE, global new entrant).

(ITA Software, 2008). Instead, ITA Software has obtained a client base for other travel-related software solutions. These include a system for the pricing and shopping of air-fares, work on a new reservation system and customer rewards implementations (ITA Software, 2009b,c,d). ITA Software has added a layer of intermediation by providing its solutions to various travel entities, including the online travel agent Orbitz, the meta-search engines Bing Travel, FareCompare, Kayak and SideStep, and even another GNE, Farelogix (ITA Software, 2009a). Farelogix itself, while still providing suppliers with solutions to connect directly to customers via the Web, also now provides solutions that connect travel agents to multiple GDSs (Farelogix Inc., 2009). The GNEs have not disintermediated GDSs, but instead have contributed to the increasing layers of intermediation in the travel industry.

In travel distribution, power is shifting to search engines. When a consumer does not know a precise website URL, does not have a particular website in mind, or does not know how to use a URL to go directly to a website, that consumer is likely to use a search engine. The Google web browser named Chrome,

which was launched in September 2008, has a feature that reflects an understanding about such web-surfing behaviour. The text box that is normally used for typing a URL can be used both for that purpose and also for typing search keywords (Google, 2009).

Google's introduction of the Chrome web browser could serve to disintermediate other search engines by guiding search traffic to the Google website (see Fig. 11.6). It could also disintermediate the developers of other web browser products, depriving them of revenues generated by searches initiated from their browsers (Dignan, 2007). In that sense, the developers of web browser software have also become intermediaries, to whom other intermediaries, search engines, must pay revenue. Finally, the lack of separate text boxes for typing URLs and search keywords in Google's web browser could lead to consumers using keywords instead of precise Web addresses in that box. Such usage of the browser directs web traffic through Google's search engine services, rather than straight to a website via a URL, thereby increasing the amount of search engine intermediation. Of course, if a consumer directly visits a supplier website by typing its URL,

then the various intermediaries, including search engines, are bypassed.

While the World Wide Web makes the simple, direct link of a consumer to a supplier website possible, the Web has also facilitated a multitude of other channel configurations (O'Connor and Frew, 2002; Buhalis and O'Connor, 2005; Granados *et al.*, 2008). It is interesting that this complex web of channel networks is a result of the complex web of networks that is the Internet. As the pendulum of influence swings back and forth, the participants struggle for relevance, sometimes competing, and sometimes cooperating (Buhalis and Licata, 2002; O'Connor and Frew, 2002; Dale, 2003; Buhalis, 2004). The resultant push and pull manifests itself with efforts at intermediation, disintermediation and reintermediation. Even while disintermediation has occurred, the entrance of new cybermediaries and the reintermediation of traditional intermediaries have resulted in more layers of tourism intermediation since the debut of the Web.

Discussion and Implications

This study demonstrates the evolution and transformation of the tourism distribution system from a simpler system to a complex, web-like network. Consistent with Palmer and McCole's (1999) observation and the prediction by Sarkar *et al.* (1998), the advance of information and communication technology has not reduced the number of intermediaries in the distribution channel, but rather has resulted in an increasingly complex array of intermediaries. This complex, multi-channel network has implications for consumers. It also has implications for the practitioners of tourism distribution. For the former, the implications involve the complexity of the purchasing process and the potential distancing from human interaction. For the latter, the implications involve the need for human interaction, adding value, consumer trust, branding and advertising revenue.

Tourism distribution did not have an utterly simple structure before the debut of the Web. There were already plenty of layers

of intermediation (see Fig. 11.1); however, the arrival of the Web brought technical capabilities that fostered the introduction of more and more layers of intermediation. The structure did not change from a simple one to a complex one, nor from a complex one to a simple one with solely direct supplier-to-consumer contact; instead, it transformed from a complex one to a very complex one. As a result, the consumer is faced with a multitude of choices (Buhalis and Law, 2008), even almost bewilderingly so. This makes price-comparison shopping challenging and time-consuming (Walden and Anckar, 2006). In fact, Walden and Anckar (2006) noted that the challenges of self-booking travel had increased in comparison with such challenges at the time of their previous study (Anckar and Walden, 2000, 2002), which had been conducted in 1999.

For the consumer, technology has brought increased challenges. These challenges are related to the distancing of the consumer from human interaction. Regarding human interaction and the absence thereof, Grau (as cited in Wilkening, 2008; see also Grau, 2008) notes that frustration with online travel agencies has recently led to a decrease in online bookings. This is consistent with the observations of Meyronin (2004), who notes that consumers can become dissatisfied with Internet-based intermediation. He explains that many 'non-technophiles' prefer human interaction, and that dealing with cybermediaries can cause feelings of helplessness.

The issue of human interaction affects practitioners too, who could be well served to add value for consumers by heeding the observations of Meyronin (2004). For example, the need for human interaction provides an opening for the infomediary role of consulting services. This is one area in which traditional travel agents might be able to enjoy reintermediation. Dolnicar and Laesser (2007) indicate that traditional travel agents need to change into infomediaries in order to survive. Alamdari (2002) explains that some agents are adjusting by focusing on the infomediary role of consulting.

Another way that value can be added is by conducting Internet searches for customers in order to save them time. Cheyne *et al.*

(2006, p. 55) noted that travel agents can add value 'by consolidating and synthesizing' the information on the Internet, making it meaningful to their clients. Meta-search engines attempt to do the same in an automated fashion. In that regard, Granados *et al.* (2008) look to a new generation of meta-search engines to add value by providing consumers with targeted information and personalized offers based on an analysis of consumers' clickstreams (i.e. records of what web surfers click) and search keyword usage. Despite such technological prospects, Meyronin (2004) has indicated that technology is often an insufficient substitute for human contact in providing personalized attention.

Findings from the research conducted by Cheyne *et al.* (2006) indicate that travellers value the following offerings from travel agents: personalized service, building lasting relationships, providing options that suit the needs of the traveller rather than the needs of a commission, having local knowledge, and the aforementioned saving of travellers' time by searching the Internet for them. Harris and Duckworth (2005) frame some similar findings within the context of the constancy of marketing principles; the authors state that differentiation and segmentation remain valid. In that vein, they indicate that travel agents can add value by forging relationships with niche tour operators, focusing on markets where the staff has expertise, and utilizing dynamic packaging technology to assemble travel components in a personalized manner. Similar to the observation made by Cheyne *et al.* (2006), Mason (2002) noted that management fees for value-added services, instead of commissions, will give corporations confidence that the agent is working in their best interests, and not merely trying to obtain the highest possible commission.

Of course, tourism distribution participants not only need to add value for consumers, but also to add value to other participants with whom they have relationships (Giaglis *et al.*, 1999). For example, suppliers would not continue to work with GDSs if the latter no longer provided any value to the suppliers. The simultaneous coexistence of multiple categories of intermediaries is a manifestation of the differentiating value that each brings to

the tourism distribution system. Also, Buhalis and O'Connor (2005) noted that distribution participants should consider the benefits of cooperating with other participants who might otherwise be considered competitors, and that suppliers can effectively become intermediaries by selling complementary products and services of partners. Buhalis and Law (2008) call the collaboration with competitors 'co-opetition'. Other authors (e.g. Bengtsson and Kock, 2000; Gnyawali and Madhavan, 2001; Wang and Krakover, 2008) have used a variant of this term: 'coopetition'. For example, lastminute.com partnered with a potential competitor, Expedia (Anderson and Earl, 2000), as well as also purchasing other companies and eventually being purchased itself.

When there is competition among the intermediaries, branding plays an important role for competitive advantage (Palmer and McCole, 1999). With price transparency and low switching costs facilitated by the Web, consumers have more choices, necessitating a reinforcement of brands to counter the effects of commoditization (Buhalis and Law, 2008). With regard to such commoditization, Egger and Buhalis (2008) indicated that meta-search engines can destroy the brands of suppliers by encouraging consumers to focus solely on price. Regarding defending against brand erosion, Gidman (2008) revealed that Expedia, Orbitz, Priceline and Travelocity are trying to distinguish themselves with their website content and unique features. She explained that those companies are using such branding so that consumers will not perceive them as merely database repositories with almost identical data (Gidman, 2008).

The branding battle finds its way into the application of technology, particularly with regard to perusing the Web. Palmer and McCole (1999) observed that consumers cannot make unlimited searches, and that consumers are likely to trust particular brands. They noted that a trusted brand will encourage repeated visits to a website, thereby enabling an intermediary to benefit from the limited search behaviour exhibited by consumers. Regarding trust and return visits, results of research conducted by Bauernfeind

and Zins (2006) indicated that trust influences consumers' satisfaction with a website which, in turn, affects whether the consumer will return for another visit or recommend the site to others.

Lynch *et al*. (2001) found that consumer trust regarding a website affects brand loyalty. To engender trust, the authors recommended adding the following to websites: customer-service guarantees, certification of the website's credibility by third parties and testimonials by former customers. Interestingly, research by Chen (2006) indicates that those three elements, which he includes in a list of 'tangible cues' of a 'trusting infrastructure' (Chen, 2006, pp. 203–204), do not significantly affect a consumer's trust of a website. Although his research indicated that trusting infrastructure did not significantly influence trust, Chen (2006) did find that building brand recognition for tourism industry websites is essential. The results of his research indicated that, among the factors that he investigated, the reputation of a brand was the most important factor influencing trust. He noted that companies new to the Internet sector can build brand awareness and a good reputation by means such as having a good domain name (i.e. a website name) and establishing strategic relationships with existing well-known e-commerce firms. He also categorized website characteristics that can affect a consumer's sense of the trustworthiness of the site, calling them 'functionality, usability, efficiency, reliability, and likeability' (Chen, 2006, p. 211). Particulars encompassed by those categories include the appearance elements of the website, such as colour, graphics and layout; the stability, consistency and speed of the website's purchasing system; the ease of website navigation; the richness of information; whether the information is up to date; and the availability of the website (Chen, 2006). This has parallels with the brick-and-mortar retail environment that predated the online era. A shabby storefront appearance could negatively affect consumers' impressions about a firm. Chen (2006, p. 208) even uses the metaphor of a 'storefront' in referring to an online presence as the source of a consumer's 'first impression' about a company.

In addition to observations about the characteristics of a website, Chen's (2006) research included insights related to customer service quality and consumer trust. The results of his research indicated the importance of forging long-term relationships with customers, timely responses to customer inquiries, personalized attention, the ability to track purchases via the website, monitoring the satisfaction of visitors through communications after a purchase, and explicitly communicating, in a clear manner, how consumers' private information will be handled. These findings are consistent with those of Meyronin (2004) regarding the need for human attention.

Buhalis and Law (2008) indicated that consumers are increasingly trusting their peers rather than the content of marketing, and as a result, the influence of virtual communities in tourism is gradually growing. Wang *et al*. (2002) noted that the brand building associated with virtual communities can lead to brand awareness and brand loyalty. Buhalis and Law (2008) also referenced the effects of virtual communities on brand awareness, and the authors suggested monitoring virtual communities as social media to better understand customers, as well as to make corrections that mitigate the damage of negative word of mouth.

To drive traffic to their websites, the various travel industry players must either enjoy brand awareness about their domain names, or ensure that their websites are ranked high in search engine output results. The top links listed in search engine results are often intermediaries (McGrath, 2007). O'Connor (2009b) noted that the position in search results is essential for success in electronic commerce, and that many companies have chosen paid search-result placements with search engines for their online marketing strategy. Search engines offer such sponsored links prominently displayed in search engine output results. Companies must bid for keywords, and in the USA, and now the UK, they must even bid for those keywords for which they own trademarks (Goad, 2008a; O'Connor, 2009b). Failure to bid high enough can result in web traffic being directed to another party that had bid higher. This could result in lost

sales and brand dilution. O'Connor (2009b) indicated that such infringement significantly threatens companies' brands. Also, the need to bid higher leads to greater expenses for the various travel players, and increased profits and influence for the search engines (Goad, 2008b). O'Connor (2009a) performed research on this issue in relation to hotels, and he discovered rampant trademark infringement using paid keyword search-result placement.

In addition to revenue from sponsored links in search results, it appears that Google is considering an advertising revenue model related to tourism. While Google does not currently have plans to sell airline tickets or hotel rooms online, it has stated plans to offer the means for web surfers to conduct travel research by reading user reviews and viewing photos and videos (Holahan, 2008). Steering clear of a transaction model suggests that Google expects to gain from the advertising revenue model.

Not only has Web technology provided an advertising revenue opportunity for search engines, but it has also opened the door for other tourism distribution participants to earn such revenue (McCubbrey, 1999). Wolf (2008) noted that intermediaries are starting to become involved with advertising. Four of the big online travel agencies, Expedia, Orbitz, Priceline and Travelocity, are looking to expand revenue sources beyond transactions to include advertising revenue streams (Luzadder, as cited in Travel Ad Network, 2008). The meta-search engine Kayak is planning on doing likewise, having established an advertising network (EyeforTravel, 2008a). Kayak's SideStep subsidiary obtains advertising revenue by means of the SideStep website, email newsletters and the SideStep web-browser toolbar plug-in (Egger and Buhalis, 2008). Expedia signed a deal with Inter-Continental Hotels Group (IHG) in order to obtain revenue, not only from booking transactions, but also from web surfers' clicks on IHG properties at Expedia.com or Expedia-owned Hotels.com (Expedia, Inc., 2007). This represents Expedia's new two-part revenue model, for which IHG is serving as the launch partner (Expedia, Inc., 2007).

Expedia's advertising revenue, as a percentage of total revenue, was 6.9% in 2007, up from 4.2% the year before (Expedia, Inc., 2008). The first quarter of 2008 revealed a continuing upward trend, with advertising at 9.3% of the total, up from 6.7% in the first quarter of 2007 (Expedia, Inc., 2008). Harvesting advertising revenue is an attractive proposition, for cybermediaries face the peril of having their transaction revenue disintermediated by web surfers who peruse their websites, but then buy services directly from suppliers (Travel Ad Network, 2008).

Conclusions

The World Wide Web has changed things dramatically, but the underlying theory and functions of tourism distribution remain the same. Indeed, there are new categories of intermediaries forming a complex web-like distribution structure with many layers, and this has had an impact on the complexity of the purchasing process. Power has shifted to a new category of intermediaries, search engines, and a revenue model based on advertising has grown in importance. In spite of those changes, the issues of human interaction, adding value, consumer trust and branding remain important, just as in ages past. Participants in tourism distribution would be well served to heed both the changes and constants that have manifested in the Web era.

Customers should realize that while Web technology gives them the capability to comparison shop, this comes at the cost of time and effort in wading through the complex structure of alternative distribution choices. They should consider that interaction with a human being might add value to their experience by saving time. If they choose to comparison shop, they should keep in mind that meta-search engines and online travel agents might not always provide the lowest possible price. Their investigation would not be complete if they did not investigate pricing offered from other sources, such as supplier websites, supplier telephone numbers, travel agent telephone lines and, when convenient, even travel agent offices, airline and car rental ticket counters, and hotel reservation desks.

Also, price shoppers should bear in mind that different meta-search engines might use different search algorithms, and that different online travel agents might have differing supplier relationships; therefore, they should consider foraging via multiple meta-search engines and online travel agents.

Gazzoli *et al*. (2008) found pricing disparities for hotel rooms at particular properties when checking for prices at those locations using the websites of four major online travel agents and the websites of the hotels themselves. For properties in the USA, the prices of rooms found on hotel-chain websites were lower than the prices found at the websites of Expedia, Orbitz, Priceline and Travelocity (Gazzoli *et al*., 2008). For rooms at internationally located properties, the hotel-chain websites had prices higher than those at two online travel agents' websites, but lower than the prices at the websites of the other two (Gazzoli *et al*., 2008). Knowledge of such pricing differences could be valuable to consumers. Also, future research can involve similar comparisons, but with additional pricing sources added to the mix, such as meta-search engines, and even other alternative sources mentioned before in this chapter.

Suppliers and intermediaries should not abandon all human interaction in an attempt to save costs with technology. Instead, they should utilize technology to enhance human-to-human communication. For example, a small cybermediary named yourGreece uses Internet technology to automate customer requests, which are then followed up via e-mail or telephone (Salzburg Research Forschungsgesellschaft, 2006). This cybermediary not only differentiates itself by focusing on a specific Greek hotel market niche, it also does so by utilizing personalized electronic communication. Small travel agents can do likewise, carving niches for themselves by segmenting the market, and utilizing Internet technology to enhance personalized services. Of course, such agents must become Web-able in the first place. Martin (2004) found that doing so is not altogether too difficult, as some small firms that she studied had leveraged their personal Web experiences to gain Web insights applicable to their businesses.

Larger suppliers and intermediaries can also benefit from human interaction. They need to provide a means for human contact in case challenges related to automated services result in frustration for customers. Even cybermediaries should utilize this human element as a means of adding value. Suppliers and intermediaries should not expect that new technology in and of itself adds value. The disappearance of many Internet start-ups when the dotcom investment bubble burst illustrates that fact. Reinforcing that reality is the example of the GNEs, in which the prospect of new technology as a substitute for GDSs did not come to fruition. Participants in tourism distribution need to address the issue of consumer trust. They must have reliable websites that are easy to navigate and that facilitate the expeditious fetching of database content. They must also utilize robust secure communication protocols for the transmission of private customer data.

Tourism distribution firms need to protect their brands from third parties. Search engines have become central to these issues. Firms must purchase search engine placements so that web surfers will not be directed to the sites of third parties who make bids to use keywords that include the firms' brands. Search engines are intermediaries that are difficult to bypass. Future research could explore the level of this difficulty by investigating how likely consumers are to type a URL to go directly to a particular website or use a keyword search to eventually arrive at the same location. Firms should consider developing software such as search box 'add-ons' or 'plug-ins' that would give consumers the choice of directly searching their websites from a browser search box, instead of connecting to a search engine with that same search box. Similarly, they should consider 'desktop widgets' and 'mobile apps' to perform the same function, but launched from a small application on a computer desktop or mobile device, respectively rather than from a browser. In addition, when advertising their brands, firms need to make their URLs memorable, to increase the likelihood that consumers will go directly to that URL. They also need to promote the bookmarking of their websites to increase the likelihood of repeated direct connections in the future.

Participants in tourism distribution also need to protect their brands from commoditization. The price comparison of meta-search engines and online travel agents contributes to consumers focusing on price rather than on brands, thus threatening the latter. Customer reward programmes that require logging into a supplier's website with a username and password could help suppliers evade such price comparisons. Future research could explore the willingness of customers to utilize such reward programmes in place of price-comparison shopping.

The issues of human interaction, adding value, consumer trust and branding remain relevant in spite of the changes wrought by the Web. The conceptual models of evolution, presented herein, illustrate how the changes have taken the form of increasing layers of intermediation. As new technology appears, there could be other changes in tourism distribution. If the trends of the past are any indicator, industry participants should be prepared for additional forms of intermediation.

Acknowledgement

References

Alamdari, F. (2002) Regional development in airlines and travel agents relationship. *Journal of Air Transport Management* 8, 339–348.

Alzon, P. (2000) Dégriftour: the success of a virtual travel agency. In: *E-commerce: Facts and Consequences, 6th Annual Seminar of Insee's Business Statistics Directorate. Insee Méthodes* 97, 59–63.

American Express Company (2008) *Uncommon Service, American Express 2007 Annual Report*.

Anckar, B. (2003) Consumer intentions in terms of electronic travel distribution implications for future market structures. *e-Service Journal* 2(2), 68–86.

Anckar, B. and Walden, P. (2000) Destination Maui? An exploratory assessment of the efficacy of self-booking in travel. *Electronic Markets* 10, 110–119.

Anckar, B. and Walden, P. (2002) Self-booking of high- and low-complexity travel products: exploratory findings. *Information Technology and Tourism* 4, 151–165.

Anderson, J. and Earl, M.J. (2000) lastminute.com: B2C e-commerce. *Business Strategy Review* 11(4), 49–60.

Barnett, M. and Standing, C. (2001) Repositioning travel agencies on the Internet. *Journal of Vacation Marketing* 7, 143–152.

Bauernfeind, U. and Zins, A.H. (2006) The perception of exploratory browsing and trust with recommender websites. *Information Technology and Tourism* 8, 121–136.

Bengtsson, M., and Kock, S. (2000) Coopetition in business networks – to cooperate and compete simultaneously. *Industrial Marketing Management* 29, 411–426.

Bowden, J. (2007) The rise of the ICT-dependent home-based travel agents: mass tourism to mass travel entrepreneurship. *Information Technology and Tourism* 9, 79–97.

Buhalis, D. (1998) Strategic use of information technologies. *Tourism Management* 19, 409–421.

Buhalis, D. (2004) eAirlines: strategic and tactical use of ICTs in the airline industry. *Information and Management* 41, 805–825.

Buhalis, D. and Law, R. (2008) Progress in information technology and tourism management: 20 years on and 10 years after the Internet – The state of eTourism research. *Tourism Management* 29, 609–623.

Buhalis, D. and Laws, E. (2001) *Tourism Distribution Channels: Practices, Issues and Transformations*. Continuum, London.

Buhalis, D. and Licata, M. C. (2002) The future eTourism intermediaries. *Tourism Management* 23, 207–220.

Buhalis, D. and O'Connor, P. (2005) Information communication technology revolutionizing tourism. *Tourism Recreation Research* 30(3), 7–16.

Carlson Wagonlit Travel (2008) *CWT at a Glance*. Available at: http://www.carlsonwagonlit.com (accessed 6 October 2008).

Cats-Baril, W. and Jelassi, T. (1994) The French videotex system Minitel: a successful implementation of a national information technology infrastructure. *MIS Quarterly* 18(1), 1–20.

CERN (European Organization for Nuclear Research) (2003) *CERN Celebrates Web Anniversary*, 29 April 2003. Available at: http://press.web.cern.ch/press/PressReleases/Releases2003/PR04.03EWeb10 Years.html (accessed 18 March 2011).

Chen, C. (2006) Identifying significant factors influencing consumer trust in an online travel site. *Information Technology and Tourism* 8, 197–214.

Cheyne, J., Downes, M. and Legg, S. (2006) Travel agent vs. Internet: what influences travel consumer choices? *Journal of Vacation Marketing* 12, 41–57.

Chircu, A. M. and Kauffman, R. J. (1999) Analyzing firm-level strategy for Internet-focused reintermediation. In: Sprague, R. (ed.) *Proceedings of the Thirty-Second Hawaii International Conference on System Sciences – Volume 5*, Maui, Hawaii, 5–8 January 1999, Los Alamitos, California. IEEE Computer Society Press, pp. 181–190.

Chircu, A.M. and Kauffman, R.J. (2000a) A framework for performance and value assessment of e-business systems in corporate travel distribution. Working Paper, Management Information Systems Research Center, Carlson School of Management, University of Minnesota, Minneapolis, Minnesota.

Chircu, A.M. and Kauffman, R.J. (2000b) Reintermediation strategies in business-to-business electronic commerce. *International Journal of Electronic Commerce* 4(4), 7–42.

Choi, S. and Kimes, S. (2002) Electronic distribution channels' effect on hotel revenue management. *Cornell Hotel and Restaurant Administration Quarterly* 43(3), 23–31.

Citrinot, L. (2005) *Will Star Alliance Get Rid of the GDS?* Available at: http://www.travelweeklyweb.com (accessed 6 October 2008).

Clerides, S., Nearchou, P. and Pashardes, P. (2008) Intermediaries as quality assessors: tour operators in the travel industry. *International Journal of Industrial Organization* 26, 372–392.

Dale, C. (2003) The competitive networks of tourism e-mediaries: new strategies, new advantages. *Journal of Vacation Marketing* 9, 109–118.

Daniele, R. and Frew, A. (2004) From intermediaries to market-makers: an analysis of the evolution of e-mediaries. In: Frew, A. (ed.) *Information and Communication Technologies in Tourism 2004*, Proceedings of the International Conference in Cairo, Egypt. Springer-Verlag, Vienna, Austria, pp. 546–557.

Dignan, L. (2007) *How Much is that Safari Search Box Worth?* 12 June 2007. Available at: http://blogs.zdnet.com/BTL/?p=5356 (accessed 25 March 2008).

Dolnicar, S. and Laesser, C. (2007) Travel agency marketing strategy: Insights from Switzerland. *Journal of Travel Research* 46, 133–146.

Egger, R. and Buhalis, D. (2008) *eTourism Case Studies: Management and Marketing Issues*, Elsevier Butterworth-Heinemann, Oxford, UK.

Expedia, Inc. (2007) *Expedia and IHG Sign New Long-Term Agreement*, 15 November 2007. Available at: http://www.ihgplc.com/index.asp?PageID=116&NewsID=1905 (accessed 18 March 2011).

Expedia, Inc. (2008) *Expedia, Inc. Reports First Quarter 2008 Results*, 1 May 2008. Available at: http://files.shareholder.com/downloads/EXPE/0x0x381659/4b9da525-8787-4e33-b0d0-9642b0b88ae2/EXPE_News_2008_5_1_Earnings.pdf, retrieved July 27, 2008 from http://media.corporate-ir.net (accessed 18 March 2011).

EyeforTravel (2008a) *Kayak Focuses on Developing Its Own Ad Network*, 1 May 2008. Available at: http://www.m-travel.com/news/2008/05/kayak-focuses-o.html (accessed 18 March 2011).

EyeforTravel (2008b) *Travelport GDS Acquires Software Assets and Intellectual Property from G2 SwitchWorks*, 7 April 2008. Available at: http://www.eyefortravel.com/node/13991 (accessed 18 March 2011).

Farelogix Inc. (2009) *The New Multi-Source Environment: Components of the Farelogix Solution*. Available at: http://www.farelogix.com (accessed 27 October 2009).

Farrelly, G. (1999a) *Search Engines: Evolution and Revolution*, July 1999. Available at: http://webhome.idirect.com (accessed 3 December 2008).

Farrelly, G. (1999b) *Search Engines: Evolution and Revolution – Part 2*, July 1999. Available at: http://webhome.idirect.com (accessed 3 December 2008).

Field, D. (2007) *Back in the Bottle: What Happened to GDS New Entrants?* 15 June 2007. Available at: http://www.flightglobal.com (accessed 6 October 2008).

Gartner, W.C. and Bachri, T. (1994) Tour operators' role in the tourism distribution system: an Indonesian case study. *Journal of International Consumer Marketing* 6, 161–179.

Gazzoli, G., Kim, W.G. and Palakurthi, R. (2008) Online distribution strategies and competition: are the global hotel companies getting it right? *International Journal of Contemporary Hospitality Management* 20, 375–387.

Gharavi, H., Mady, T. and Dwivedi, Y. K. (2007) A critical realist perspective on the adoption of Internet technologies in the travel sector. In: Österle, H., Schelp, J. and Winter, R. (eds) *Proceedings of the Fifteenth European Conference on Information Systems*. University of St Gallen, St Gallen, Switzerland, pp. 2295–2306.

Giaglis, G.M., Klein, S. and O'Keefe, R.M. (1999) Disintermediation, reintermediation, or cybermediation? The future of intermediaries in electronic marketplaces. In: Klein, S., Gricar, J. and Pucihar, A. (eds) *Proceedings of the 12th International Bled Electronic Commerce Conference: Global Networked Organizations*, 7–9 June, Bled, Slovenia, pp. 389–407.

Gidman, J. (2008) The deal with online travel brands, 9 June 2008. Available at: http://www.brandchannel.com/features_effect.asp?pf_id=425 (accessed 18 March 2011).

Gnyawali, D.R. and Madhavan, R. (2001) Cooperative networks and competitive dynamics: a structural embeddedness perspective. *Academy of Management Review* 26, 431–445.

Goad, R. (2008a) Google UK trademark changes and navigational search, 7 April 2008. Available at: http://weblogs.hitwise.com/robin-goad/2008/04/google_uk_trademark_changes_navigational_search.html (accessed 18 March 2011).

Goad, R. (2008b) 22% increase in paid brand search following Google's trademark changes, 19 June 2008. Available at: http://weblogs.hitwise.com/robin-goad/2008/06/increase_in_paid_brand_search_google_trademark_changes.html (accessed 18 March 2011).

Golden, W., Higgins, E., Hughes, M. and Flynn, S. (2003) The Internet, a creator of electronic markets for airline tickets? *Proceedings of CoLLECTeR Conference – 2003*, National University of Ireland, Galway, Ireland, pp. 204–213.

Google (2009) *Google Chrome – Learn about Google Chrome*. Available at: http://www.google.com (accessed 28 October 2009).

Granados, N., Kauffman, R. and King, B. (2008) The emerging role of vertical search engines in travel distribution: a newly-vulnerable electronic markets perspective. In: Sprague, R. (ed.) *Proceedings of the 41st Hawaii International Conference on System Sciences – 2008*, Waikoloa, Big Island, Hawaii, 7–10 January 2008. IEEE Computer Society Press, Los Alamitos, California, p. 389 (10 pp.).

Grau, J. (2008) *US Online Travel: Planning and Booking*. eMarketer, New York. Available at: http://www.emarketer.com/Reports/All/Emarketer_2000502.aspx (accessed 17 March 2011).

Grossman, D. (2006) A lesson from Portugal, or fighting disintermediation. *Searcher*, 14(4) 1 April, 45–47.

Harris, L., and Duckworth, K. (2005) The future of the independent travel agent: The need for strategic choice. *Strategic Change*, 14(4), 209–218.

Holahan, C. (2008) Google's travel plans, *BusinessWeek*, 22 May, retrieved July 14, 2008 from http://www.businessweek.com

Hospitality Net (2002) *Cost Savings to Catapult Online Corporate Travel Marketplace – PhoCusWright Projects One in Five Corporate Travel Transactions Will be Online by 2003*. Industry News, 15 March 2002. Available at: http://www.hospitalitynet.org/news/4011233.html (accessed 18 March 2011).

ITA Software (2008) *ITA Software QPX: DACS: The Industry's Most Advanced Availability Solution*. Available at: http://www.itasoftware.com (accessed 28 October 2009).

ITA Software (2009a) *Our Customers*. Available at: http://www.itasoftware.com (accessed 28 October 2009).

ITA Software (2009b) *QPX™: The Premier Management System for Airfare Pricing and Shopping*. Available at: http://www.itasoftware.com (accessed 28 October 2009).

ITA Software (2009c) *RES: The Future of Airline Reservations*. Available at: http://www.itasoftware.com (accessed 28 October 2009).

ITA Software (2009d) *Reward Shopping*. Available at: http://www.itasoftware.com (accessed 28 October 2009).

Kärcher, K. (1996) Re-engineering the package holiday business. In: *Proceedings of the Third International Conference on Information and Communication Technologies in Tourism – ENTER*, Innsbruck, Austria, 17–19 January 1996. Available at: http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.98.8642&rep=rep1&type=pdf (accessed 18 March 2011).

Kärcher, K. and Williams, H. (1996) Industrial change in the outgoing tour operator business in Britain and Germany: The emergence of electronic market systems. In Klein, S. and Williams, H. (eds), *Emerging Electronic Markets: Economic, Social, Technical, Policy and Management Issues*, St. Gallen, Switzerland: Institute for Information Management, University of St. Gallen, 26–45.

Kayak.com. (2007) *Kayak.com Merges with SideStep.com; Secures $196m in Financing Round*, 21 December 2007. Available at: http://blog.kayak.com (accessed 29 July 2008).

Kayak.com. (2009) *Corporate Backgrounder – Kayak*. Available at: http://www.kayak.com (accessed 28 October 2009).

Longhi, C. (2008) *Usages of the Internet and e-Tourism. Towards a New Economy of Tourism*, First Draft, 7 May 2008. Available at: http://halshs.archives-ouvertes.fr (accessed 24 July 2008).

Lynch, P.D., Kent, R.J. and Srinivasan, S.S. (2001) The global Internet shopper: evidence from shopping tasks in twelve countries. *Journal of Advertising Research* 41(3), 15–23.

Ma, J.X., Buhalis, D. and Song, H. (2003) ICTs and Internet adoption in China's tourism industry. *International Journal of Information Management* 23, 451–467.

Martin, L.M. (2004) E-innovation: Internet impacts on small UK hospitality firms. *International Journal of Contemporary Hospitality Management* 16, 82–90.

Mason, K.J. (2002) Future trends in business travel decision making. *Journal of Air Transportation* 7, 47–68.

McCubbrey, D. (1999) Disintermediation and reintermediation in the U.S. air travel distribution industry: a Delphi study. *Communications of the Association for Information Systems* 1(18), 1–39.

McCubbrey, D. and Taylor, R. (2005) Disintermediation and reintermediation in the U.S. air travel distribution industry: a Delphi reprise. *Communications of the Association for Information Systems* 15(26), 464–477.

McDonald, M. (2007) A delicate balance: airlines and GDS vendors appear to have settled their differences ... for now. *Air Transport World*, May 2007. Available at: http://www.atwonline.com (accessed 6 October 2008).

McGrath, S. (2007) Re-intermediating the dis-intermediated. *ITworld*, 7 October 2007. Available at: http://www.itworld.com (accessed 13 July 2008).

Meyronin, B. (2004) ICT: The creation of value and differentiation in services. *Managing Service Quality* 14, 216–225.

NACTA, Inc. (2009) *Why Use a Host Agency?* Available at: http://www.nacta.com (accessed 28 October 2009).

O'Connor, P. (2009a) Pay-per-click search engine advertising: are hotel trademarks being abused? *Cornell Hotel and Restaurant Administration Quarterly* 50, 232–244.

O'Connor, P. (2009b) Trademark infringement in pay-per-click advertising. In: Bandyopadhyay, S. (ed.) *Contemporary Research in E-Branding*. Information Science Reference, Hershey, Pennsylvania, pp. 148–160.

O'Connor, P. and Frew, A. (2002) The future of hotel electronic distribution: expert and industry perspectives. *Cornell Hotel and Restaurant Administration Quarterly* 43(3), 33–45.

Palmer, A. and McCole, P. (1999) The virtual re-intermediation of travel services: a conceptual framework and empirical investigation. *Journal of Vacation Marketing* 6, 33–47.

Pearce, D. and Schott, C. (2005) Tourism distribution channels: the visitors' perspective. *Journal of Travel Research* 44, 50–63.

Pearce, D., Tan, R. and Schott, C. (2004) Tourism distribution channels in Wellington, New Zealand. *International Journal of Tourism Research* 6, 397–410.

Pegasus Solutions, Ltd (2009) *Utell Hotels and Resorts – Distribution Services and CRS Technology*. Available at: http://www.utell.com (accessed 28 October 2009).

Pegasus Systems, Inc. (1997) *Form S-1*, 6 August 1997. Available at: http://edgar.brand.edgar-online.com/EFX_dll/EDGARpro.dll?FetchFilingHTML1?ID=1372640&SessionID=D9mvHeJgWDT3577 (accessed 18 March 2011).

PhoCusWright (2008) *Report Overview, Travel Agents Today: A Large, Dynamic Opportunity*. Available at: http://www.phocuswright.com (accessed 29 July 2008).

Pinkerton, B. (1994) Finding what people want: experiences with the WebCrawler. In: *Proceedings of Second International WWW Conference*. Available at: http://www.thinkpink.com (accessed 3 December 2008).

Pinkerton, B. (2000) WebCrawler: finding what people want. PhD thesis, University of Washington, Seattle, Washington.

Priceline.com (1998) *Leisure Travelers Can Now Name Their Own Price for Airline Tickets*, Press Release, 6 April 1998. Available at: http://phx.corporate-ir.net (accessed 26 September 2008).

Priceline.com (2004) *Priceline.com Completes Purchase, Takes 100% Ownership of TravelWeb LLC*. Available at: http://phx.corporate-ir.net (accessed 1 October 2008).

Priceline.com (2009) *Priceline.com 2009 Annual Report*, 30 April. Priceline.com, Norwalk, Connecticut.

Quinby, D. (2008) The future of travel agents. *PhoCusWright Blog*, 9 May 2008. Available at: http://www. phocuswright.com (accessed 29 July 2008).

Sabre Holdings (2009) *Sabre History*. Available at: http://www.sabre-holdings.com (accessed 28 October 2009).

Salzburg Research Forschungsgesellschaft (2006) ICT and e-business in the tourism industry. In: e-Business W@tch, *ICT Adoption and e-Business Activity in 2006*. Sector Report No. 8/2006, European Commission, Salzburg/Brussels, pp. 1–194.

Sarkar, M., Butler, B. and Steinfield, C. (1995) Intermediaries and cybermediaries: a continuing role for mediating players in the electronic marketplace. *Journal of Computermediated Communications, Special Issue on Electronic Commerce* 1(3). Available at: http://jcmc.indiana.edu (accessed 29 July 2008).

Sarkar, M., Butler, B. and Steinfield, C. (1998) Cybermediaries in electronic marketspace: toward theory building. *Journal of Business Research* 41, 215–221.

Sheldon, P.J. (1997) *Tourism Information Technology*. CAB International, Wallingford, UK.

SideStep (2000) *Online Travel Takes Off with Launch of Sidestep*, Press Release, 13 November 2000. Available at: http://web.archive.org/web/20011017012555/www.sidestep.com/company/press/1113_launch.html (accessed 28 September 2009).

SideStep (2005) *SideStep Launches Web Version of The Traveler's Search Engine*, Press Release, 5 January 2005. Available at: http://web.archive.org/web/20051125035902/www.sidestep.com/html/press_center/press_releases/2005/pr_010505.html (accessed 28 September 2009).

Travel Ad Network (2008) *Online Travel Agencies Pump More Resources into Advertising*, 25 March 2008. Available at: http://www.traveladnetwork.com (accessed 27 July 2008).

Travel Industry Association of America (2004) *Travelers' Use of the Internet, 2004 Edition*. Available at: http://www.tia.org (accessed 25 July 2008).

Travel Technology Update (2005) *ITA Software to Take on Traditional GDSs with 40-Cent Booking Fee for Airlines*, February 2005. Available at: http://www.atwonline.com (accessed 6 October 2008).

Travel Weekly (2006) ARC carries on: transactions climb even as agency locations decline. *Travel Weekly Special Report: 2006 Travel Industry Survey*, Section 1, 23 October 2006. *Travel Weekly*, London, pp. 22–23, 58.

TravelWeb (1996) *World's Largest Hotel Chains Unite to Launch TravelWeb*, 7 March 1996. Available at: http://web.archive.org/web/19970410103808/travelweb.com/TravelWeb/media/twebnews.html (accessed 26 September 2009).

Tse, A.C. (2003) Disintermediation of travel agents in the hotel industry. *International Journal of Hospitality Management* 22, 453–460.

Walden, P. and Anckar, B. (2006) A reassessment of the efficacy of self-booking in travel. In: Sprague, R. (ed.) *Proceedings of the 39th Hawaii International Conference on System Sciences – Track 6*, Kauai, Hawaii, 4–7 January 2006, IEEE Computer Society Press, Los Alamitos, California, p. 132b (10 pp.).

Wang, Y.C. and Krakover, S. (2008) Destination marketing: competition, cooperation or coopetition? *International Journal of Contemporary Hospitality Management* 20, 126–141.

Wang, Y.C. and Qualls, W. (2007) Technology adoption by hospitality organizations: towards a theoretical framework. *International Journal of Hospitality Management* 26, 560–573.

Wang, Y., Yu, Q. and Fesenmaier, D.R. (2002) Defining the virtual tourist community: implications for tourism marketing. *Tourism Management* 23, 407–417.

Weaver, D.B., and Lawton, L.J. (2008) Not just surviving, but thriving: perceived strengths of successful US-based travel agencies. *International Journal of Tourism Research* 10, 41–53.

Werthner, H. and Klein, S. (1999) *Information Technology and Tourism – A Challenging Relationship*. Springer-Verlag, Vienna, Austria.

Wilkening, D. (2008) Online travelers shrinking, turning to agents. *TravelMole*, 28 August 2008. Available at: http://www.travelmole.com/stories/1131010.php (accessed 18 March 2011).

Wolf, P. (2008) The perfect storm: search, shop, buy (Part 2). *Hospitality Net*, 18 July 2008. Available at: http://www.hospitalitynet.org (accessed 25 July 2008).

12 Destination Marketing Systems: Critical Factors for Functional Design and Management

Youcheng Wang

Introduction

World Wide Web-based destination marketing systems (DMSs) have been widely used as distribution channel and marketing tools by destination marketing organizations (DMOs) at different levels (e.g. nation, region, city or other recognizable geographical entity) in the promotion and management of tourism destinations (Anckar and Walden, 2001; Buhalis, 2003; Yuan *et al*., 2003; Wang and Fesenmaier, 2006). A DMS is a system using computer and communication technologies, especially the Internet and the World Wide Web, to fulfil the function of a DMO in its primary objective: the promotion of tourism businesses within geographically defined areas, most importantly, the provision of comprehensive tourism information and a selection of tourism products to potential visitors (Frew and O'Connor, 1999; Buhalis and Laws, 2001).

However, in today's competitive marketplace and technology-driven society, just having a Web presence no longer brings visibility and accessibility to the destination, thus the success of the Web marketing efforts of DMOs. Successful web marketing requires an articulated and systematic approach in understanding key factors supporting the management and implementation of the DMS from both business and technical

perspectives. As a matter of fact, many factors may contribute to the success of a DMS, although the complexity of destination marketing and promotion makes it difficult to identify the key factors for the successful functional design and management of such systems (Werthner and Klein, 1999; Buhalis, 2003; Wang and Fesenmaier, 2006). Recent years have witnessed tremendous efforts undertaken to build comprehensive information systems to market a destination, many of which have either failed or fallen short of the intended goals.

In contrast to the commercial sector, DMOs have been slow to adopt information technology (IT) in their operational, marketing and promotional activities (Hudson and Lang, 2002). Previous research has indicated that great variations have been observed in the sophistication, interactivity and quality of the DMSs operated by these DMOs (Tierney, 2000). With the interactive ability to facilitate two-way communication, the Web can serve as a useful marketing tool. However, marketing on the Internet is not limited to information provision and distribution only, even though this is the commonly observed form of DMOs' web-based marketing systems (Ozturan and Roney, 2004). Research results indicate that by using the Internet in this way – mainly as a digital brochure presence – DMOs have not taken advantage of the Web as an

enabler for facilitating the structural, managerial or commercial reorganization of their online business processes (Wang and Russo, 2006). With the maturity of Internet users that there now is, DMOs conducting online marketing and promotion have to understand that simply providing information about products and services is not sufficient; they have to engage customers in the communication, respond to their requests quickly, and build long-term relationships with them by understanding their needs and preferences (Hudson and Lang, 2002). All of this has to be achieved by making DMOs more interactive and sophisticated.

The variation of functional design that is found, as well as the level of sophistication and interactivity of DMOs, support the observation of Poon and Swatman (1999) that as companies gain experience with Internet technologies, their websites move from a static presence through increasing levels of interactivity to a dynamic site. This evolution of website development can lead to the following two arguments. First, based on the capabilities associated with different levels of website development, DMO website characteristics such as sophistication and interactivity have an impact on the success of their online marketing activities. Secondly, DMOs are motivated to adopt more sophisticated and interactive technologies in their DMSs in an attempt to achieve a competitive advantage (Nyheim *et al.*, 2004; Wang and Russo, 2006). Yet in the attempt to attain a competitive advantage through technology, not all DMOs start with the same foundation of technology understanding and expertise, resources, or support from innovative management styles. These organizational factors may not only determine how sophisticated DMOs can make their marketing systems, but can also define how successful their web-based marketing efforts could be.

Though relevant research efforts have been made in this area, such as the evaluation of destination websites (Wober, 2003; Wang and Fesenmaier, 2006), online DMOs (Prideaux and Cooper, 2003; Ritchie and Ritchie, 2002; Sheldon, 1994) and web-based marketing systems used by convention and visitors bureaus (CVBs) (Feng *et al.*, 2003; Yuan *et al.*, 2003), little research currently exists that identifies the various components and the functions of DMSs, and that examines the relationship between DMS sophistication and Web marketing success, and the impact of organizational factors on the level of sophistication and success of DMSs. Using the particular example of CVBs in the USA, this chapter intends: (i) to propose a conceptual framework for a DMS in relation to its functions; (ii) to evaluate the sophistication level of DMSs operated by DMOs in the USA; (iii) to examine the relationship between the sophistication level of DMSs and the success level of the online marketing efforts of DMOs; and (iv) in an application of the findings from the investigation already described, to assess the impact of organizational factors on the sophistication level of DMSs and the success level of the online marketing efforts of DMOs in a sample of US CVBs.

Functions of Destination Marketing Systems

The primary function of a CVB is to sustain and improve the tourism industry in a community by presenting a unified image that effectively markets a city's attractions, restaurants, hotels, meeting facilities, and amenities (Gartrell, 1993). According to Destination Marketing Association International (DMAI), formerly the International Association of Convention and Visitor Bureaus (IACVB), DMOs (often called CVBs in the USA) are defined as primarily not-for-profit organizations that represent a specific destination such as a city or region. CVBs serve as the official contact point for a destination for meeting professionals, tour operators and individual visitors (DMAI, 2011). CVBs act as both leaders and mediators in their destinations when partnering with various private and public organizations. They are tasked with developing marketing strategies for numerous stakeholders, including hotels and motels, attractions and convention centres, among others. In essence, CVBs are destination developers, marketers, advocates, researchers, partners and economic catalysts

(Gartrell, 1993; Morrison *et al.*, 1998; Presenza, Sheehan, and Ritchie, 2005). For this very reason, CVBs tasks are not only dynamic and complex in nature, but they are also presented with the challenge of developing strategic destination marketing systems to serve the various business constituents, predominantly the individual consumers.

In describing the systems used by CVBs to provide online information, marketing and communications at the destination level, many researchers have coined their own terms and there appears to be little consensus as to the naming convention. In Austria, Wober (2003) denoted TourMIS as the national tourism marketing information system; Tour-MIS has the primary objective of supplying information and decision support for the potential consumers. He argued that a marketing decision support system (MDSS) is a necessity in the tourism industry – as compared with other industries – owing to the complexity and vast amount of information that is involved. As a result, Wober (2003) highlighted the importance of information needs in tourism destination management, and the significance of collecting, storing, processing and disseminating information. The research of Sheldon (1993) focused on the distribution of destination information, and the supply and demand of facilities in a destination. She looked particularly at how individual national tourism offices (NTOs) utilize information systems to market and promote their respective countries as tourism destinations. She used the term destination information system (DIS) to refer to these systems (Sheldon, 1993). While this term may be appropriate for describing the functional level of the online systems used by specific NTOs, it fails to evolve into anything more than a tourism information repository, neglecting the need for communication and relationship building capabilities.

Research conducted by Ritchie and Ritchie (2002) helped to establish guidelines for the implementation of a destination marketing information system (DMIS) at the state and provincial levels. Using a more holistic approach, the study pointed out the need for sophisticated DMISs to support the marketing process and thus maintain and enhance the competitiveness of a travel destination (Ritchie and Ritchie, 2002). A recent study comparing the online marketing systems of DMOs between the USA and China (Feng *et al.*, 2003) revealed that the Internet is considered to be one of the developments with the most significant impact on destination marketing in the past 15 years, and that the websites of DMOs developed mainly in the mid 1990s are still in their infancy. However, the study only focused on the technical aspects of DMO websites by adopting a site evaluation approach, and fell short of providing insights as to what a DMS should be composed of, and what major functions a DMS should serve.

A review of the related literature appears to lead to the conclusion that different terms have been used to describe the key function/purpose of DMSs, such as communication, information, marketing, transactions and customer relationship management. These observations have also been partially supported by Ritchie and Ritchie's (2002) argument that the deployment of a DMS encompasses not only the informational aspects of a destination's products, but also the marketing and communication components. Similarly, the extended model of Internet commerce adoption (eMICA) by Burgess and Cooper (2000) consists of three stages, incorporating three levels of business process: Web-based promotion; provision of information and services; and transaction processing. The three levels of business processes are similar to those proposed by Ho (1997) and Liu *et al.* (1997). However, it should be noted that the development of the functions of a commercial website is not linear; rather it tends to demonstrate a hierarchical structure progressing along with the level of complexity and interactivity of each of the functions. It is easily conceivable that as sites move through the stages of development from promotion of company to provision of consolidated information to processing of business transactions, layers of complexity and functionality are added to the site (Dutta and Segev, 1999; Palmer and McCole, 2000; Walsh and Godfrey, 2000). This addition of layers is synonymous with the business moving from a static Internet presence through increasing levels of

interactivity to a dynamic site incorporating value-chain integration, and innovative applications to add value through information management and rich functionality (Quelch and Klein, 1996; Timmers, 1998).

Based on the multifaceted tasks of CVBs, it is argued in this study that a successful DMS depends on the integrative application of four components as its major function: (i) timely and accurate representation and provision of destination information; (ii) effective and constant communication with consumers; (iii) reliable and seamless electronic transaction deployment; and (iv) appropriate and sustainable relationship-building mechanisms (Fig. 12.1). It is also argued that the relationships between the four functions are dynamic rather than static, and that each of the components demonstrates a hierarchical

level of technology complexity and interactivity which implies that the effective implementation of a higher level application has to be built on the successful deployment of its lower level application(s).

As online DMSs are virtual spaces for CVBs to conduct various marketing activities, the four functions of DMSs identified above are accordingly termed: (i) virtual information space (VIS); (ii) virtual communication space (VCS); (iii) virtual transaction space (VTS); and (iv) virtual relationship space (VRS). As has been argued above to be the case for successful DMSs for CVBs, the relationships between the four functions just delineated (VIS, VCS, VTS and VRS) are dynamic rather than static, and each of the components demonstrates a hierarchical level of technology sophistication which implies that effective
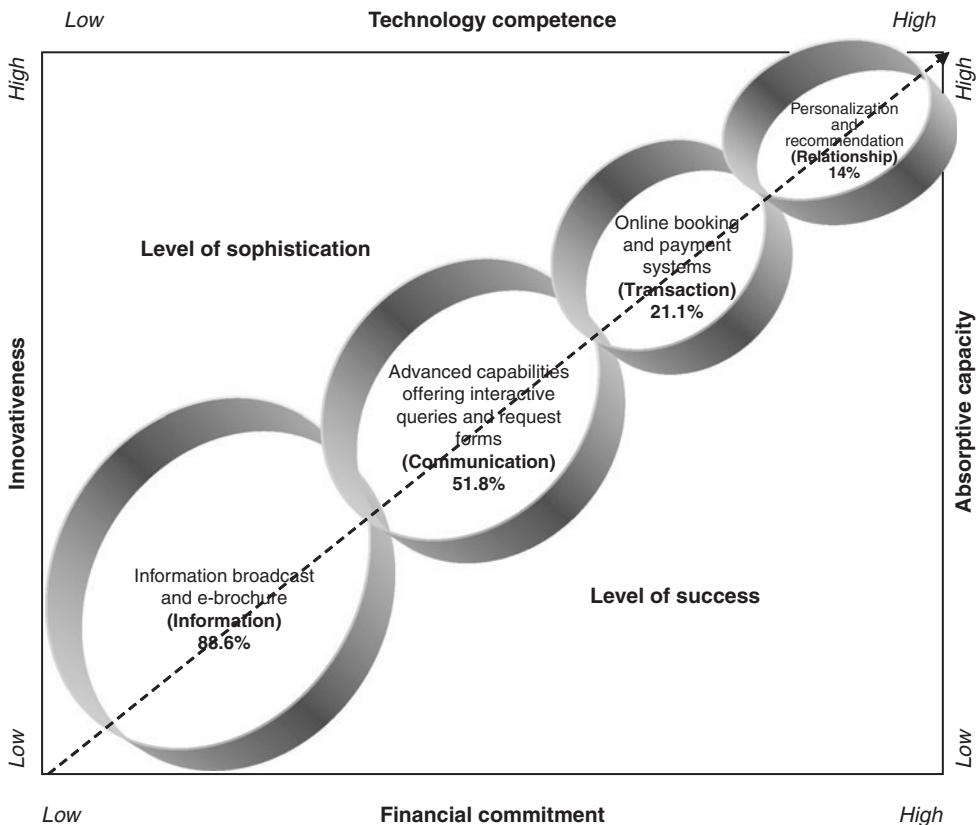
Fig. 12.1. A conceptual model of the impact of organizational factors on CVB (Convention and Visitors Bureau) website sophistication and Web marketing success (adapted from Wang, 2008).

implementation of a higher level application has to be built on the successful deployment of its lower level application(s).

Virtual information space (VIS)

Most people visiting CVB websites are looking for information, but the information need varies significantly from individual to individual (Feng *et al.*, 2003). Internet users fall into two categories, surfers and shoppers, with the former using the Internet for recreation and the latter for a directed purpose (Abramson and Hollingshead, 1999). While surfers may enjoy general information about a destination, shoppers want more detailed information about hotels, restaurants, attractions, transportation, car rentals and travel agents (Bender 1997; Born *et al.*, 1998). The diversity of information in the travel industry and increasingly discerning consumers mean that the quality and efficiency of information provision is becoming a differentiating factor for destinations (Sheldon, 1994). Consumer utilization of the Internet to plan some aspect of a future trip, whether for business or pleasure, continues to rise, according to YPB&R's (now Ypartnership's) National Leisure Travel Monitor (YPB&R, 2004). The rate at which consumers now use the Internet to actually book travel services is growing even faster, suggesting that consumers are likely to use the Internet to assist in travel decision making and purchase travel services with even greater frequency in the months and years ahead. Many consumers demand specialized and in-depth presentation of the information to facilitate their decision making. In order to address their needs, proper levels of information need to be accessible to the right consumers in order to initiate and generate a purchasing interest (Bieger and Laesser, 2004). This situation is also mandated by the fact that CVBs have been constructed upon the solid foundation of information provision and the ability to carry this out in a timely and consistent manner. Information should be the bread and butter of a DMS, and understanding how customers acquire information is important for marketing destinations.

Successful tourism websites should provide content in both information and services that cater to travellers' needs (Ghosh, 1997) though content alone does not guarantee success. The traditional CVB website provided fixed content information such as attractions, transportation and accommodation. Unlike other industries, where data may be updated on a weekly or monthly basis, the task of updating data can be more problematic in the tourism industry. CVBs are presented with the challenge of ensuring that all events, schedules, rates and hours of operations of all of the represented businesses are accurate. In fact, the DMS information function is highly dependent on providing the most up-to-date information, and its credibility might be compromised if information is found to be inaccurate or misleading (Sheldon, 1993).

The role of information provider has shifted within the DMS since the inception of the Internet. The information provision is now more focused on functional search needs, which can be defined as motivated efforts directed at or contributing to a purpose (Vogt and Fesenmaier 1998). This approach allows the search for information to enable reduction of the uncertainty level and enhancement of trip quality (Fodness and Murray 1997). A DMS also affects final purchase decisions by acting as a portal of information for local tourism businesses which, in turn, adds value to destination tourism products (Palmer and McCole, 2000). This comforting factor also allows consumers to begin bonding with the DMS, cursory though this may be. However, Martin (1997) argues that information provision alone will not make an effective and successful destination marketing website, appropriate communication mechanisms have to be provided to enhance the understanding between the consumers and suppliers which ultimately assures the delivery of the various components of products and services.

Virtual communication space (VCS)

Once the information function of the DMS has been sufficiently implemented, a destination can then move to the next hierarchical

functional level – communication – which allows marketing efforts to be targeted. Communication is the human activity that links people together and creates relationships. It is at the heart of meaning-making activities, not only in marketing, but also in a wide range of political, economic and psychological areas. It serves as a way to develop, organize and disseminate knowledge (Duncan and Moriarty, 1998). For destinations, this interactive phase helps in building partnerships, and goes beyond the initial 'flirting stage' of the VIS to the 'courting stage'. It is at this level where communication is conducted through various channels and transforms the trust element between the DMO, its stakeholders and individual consumers.

In the marketing area, there has been a recent focus on using direct communications induced by advances in technology, changes in market information, the need for better targeting and the declining effectiveness of traditional media (Evans *et al.*, 1996). A communication approach in marketing has several advantages: (i) well designed communications can be highly targeted, which affords organizations the opportunity to build dialogue with their customers and through this dialogue to build strong relationships (Blattberg and Deighton, 1991); (ii) some direct communications methods (e.g. direct mail, e-mail newsletters, search functions and interactive tools) can be individualized and personalized, helping to overcome the clutter that is inherent in traditional mass-media communications (Patterson, 1998); and (iii) through the initiation of a dialogue with customers, communication can play a more useful role in building customer loyalty (Hoffman and Novak, 1996).

Communication can provide the means by which the organization and the consumer can interact in a meaningful way, can develop a rapport which binds them together in a relationship (Patterson, 1998). Such a situation is made possible through the initiation of a meaningful dialogue between a destination and its visitors. Dialogue also helps to build bonds between destinations and visitors, to bring them together in a relationship which is mutually beneficial. Communication in marketing can serve as the process by which

persuasive information is transmitted, participative decision making is fostered, and commitment and loyalty are encouraged. Unfortunately, communication difficulties are often a prime cause of marketing problems. Many current problems in marketing could be resolved by developing appropriate strategies for communication between marketers and consumers (Smith and Taylor, 2004).

The role of communications in DMSs is to share the meaning of a destination's total product offering with its customers in such a way as to attain their goals and, at the same time, move the destination closer to its customers. To a large extent, the effectiveness of destination marketing depends significantly on communications effectiveness because the tourism industry is energized by information flows. Destinations are striving to harness DMSs as a platform to communicate their marketing messages and to generate customer interaction. Many are using 'added-value' information and resources on their websites as a means of both attracting visitors and easing their business processes (Wang and Fesenmaier, 2006).

Virtual transaction space (VTS)

The transaction function proves to be a successful step towards a solid relationship. A commitment to a financial transaction is a reflection of trust, a sacred line to cross within the business world. This engagement between the destination and the consumer is based upon previously strengthened trust built from a quality exchange of information and timely communication. The successful operation at this stage needs a secure as well as a navigable online system for the transaction to occur. The electronic marketplace is only possible with the integration of software and hardware which allows the system to initiate transactions with consumers. In this new role, the DMS not only becomes the collective marketing vehicle, but also a one-stop shopping centre for visitors (Barker, 1993; Wang and Fesenmaier, 2006). With the new transaction function, a CVB can, for example, assist a convention or meeting planner with hotel

availability, distribute meeting specifications to hotels, solicit bid proposals, conduct personalized site inspections, set up spouse programmes and activities and provide transportation and other logistical needs, with all the associated financial transactions being conducted through the DMS, thereby eliminating the need for multi-layer contacts between consumers and suppliers.

The efforts to ingratiate the consumer by making transaction functions available via the CVB have been questioned by some. The history of the CVB is to be an agent, or intermediary, between tourism/convention consumers and the local businesses that provide the services needed by those consumers. CVBs are considered to be intermediaries and thus should not be competing for sales and services with other tourism suppliers within their own destinations. This issue can be further compounded by the strategy that CVBs take to position themselves: whether they want to be perceived as a marketing organization or a sales organization, or both at the same time. However, it should be argued that DMOs as marketing organizations might lose their significance if they do not provide value by adding more knowledge, personal service, customization and one-stop-shopping to commit the ever-more-sophisticated travellers into a continuing relationship.

Virtual relationship space (VRS)

At the core of a DMS is the virtual relationship space (VRS). It is at this stage where the relationship between the consumer and the CVB is in full bloom, where open communication and commitment provide the qualities essential for a 'marriage'. It is a process whereby marketers come to truly know and understand the various aspects of their consumers. VRS entails a dynamic exchange of communication with consumers at all levels. Buhalis (2003) expounded further on customer relationship management (CRM) by focusing on the information and communication technology used in the tourism industry. He noted that CRM is the one-to-one marketing system that enables the management of customer relationships through establishing, maintaining, enhancing and commercializing relationships.

The misunderstandings and misuse of VRS only mystify the process and prevent its full utilization in the tourism industry (Prideaux and Cooper, 2003). While it is necessary for an organization to collect massive amounts of data on their consumers' preferences and buying habits, how they truly gain an understanding of these data and miraculously transform them into meaningful information is still a challenge. Before implementation of the technology applications for relationship building, consumer data (including data acquired from e-mails, market research efforts, online surveys, commercial transactions, etc.) must be maintained in a marketing database (Gartrell, 1993; Min and Emam, 2002). However, in the tourism industry, only 50–75% of DMO websites have been found to offer certain aspects of this function (Feng *et al.*, 2003).

The ultimate goal of the VRS is to integrate technology, processes and business activities to allow organizations to respond to and target behaviour-driven market segments that truly focus on, and around, the customer (Feinberg and Kadam, 2002; Ritchie and Ritchie, 2002; Munhall, 2004). Development and enhancement of new and existing segments, such as leisure and business travellers, should be fully explored. The DMS should incorporate all the principles of marketing segmentation, partnership and relationship marketing. At the same time, the VRS should provide a means of predicting consumers' informational, marketing, transactional and relationship needs and wants (Min and Emam, 2002).

As travellers become more knowledgeable and technologically knowledgeable, they demand to be differentiated and come to expect products and services that will be tailor-made to their liking (Lau *et al.*, 2001). Through the use of new technologies, CVBs should be able to know and understand their consumers' needs, and to target them individually with the right message at the most appropriate time (Lau *et al.*, 2001; Ritchie and Ritchie, 2002). The VRS should continuously nurture the relationship and reassess the CVB's consumers' changing behaviours. The

development of an emotional relationship with the consumer through choreographed and focused communications campaigns holds the key to destination differentiation (Morgan *et al.*, 2004).

As the 'umbrella organization' (Morrison *et al.*, 1998) representing many stakeholders in the destination, CVBs have the ability to work with their partners in harnessing valuable visitor information and fully exploiting the VRS. By sharing the multitude of customer data now existing in marketing databases (Chathoth and Olsen, 2003), and bringing together the myriad of technologies and expertise within their destinations, CVBs can truly meet their strategic marketing objectives of developing market segments, and differentiating the products and services their destination has to offer based on their full understanding of their visitors' needs (Buhalis, 2003). Implementation of the VRS will not only benefit CVBs, it will also enable them to develop a symbiotic relationship with consumers to achieve their targeted goal of promoting their destination and enhancing their competitive and economic positions. This process, as Buhalis (2003) states, should be ongoing for the future success of the tourism industry.

Destination Marketing System Sophistication and Web Marketing Success

Previous research has revealed that organizations implement Internet technology, particularly Web-based technologies, in stages which usually follow a hierarchical progression of technology sophistication, interactivity and complexity (Hanson, 2000; Sharma, 2002). Models have also been proposed to demonstrate that the level of sophistication and interactivity of web technology implementation has a positive relationship with the value creation process, as well as with the success of the overall Web marketing efforts (Ditto and Pille, 1998; Dutta and Segev, 1999; Wang and Fesenmaier, 2006; Wang and Russo, 2006).

For example, Hanson (2000) argues that commercial websites can be categorized based on technology features used in the websites and the communication style between company and potential customer. Using these criteria, he observed three major website development stages: (i) publishing; (ii) database retrieval; and (iii) personalized interaction. A publishing website only provides information to the customer; the website is used as an information medium with limited interaction between customer and company. A database retrieval website combines the ability to provide information and the ability to retrieve information in response to a customer's request. At the third, personalization, stage, the website uses applications/features catering to a specific individual preferences, with the main focus on relationship building.

The research of Contractor *et al.* (1999) supports the same pattern of web technology implementation by examining the alternative usage patterns as organizations adopt technology. They found that organizations use technology at three levels/stages: substitution, enhancement and transformation. Substitution involves simple replacement of existing technology with new technology to accomplish the very same organizational tasks as before adoption of the technology. At this stage, technology provides tools, information and capabilities to directly support all types of tasks. This can result in improved responsiveness and precision of individual work in that individuals gain better access to a wider pool of information and are able to effectively exchange information and enhance communication. Enhancement involves redesigning an existing process to make the best use of the new technology, improve product quality and provide additional and related services. At this stage, better utilization and coordination of physical and human resources enable organizations to function as a 'whole', to do more of the same tasks, and to speed up task performance. Organizations, thus, become more responsive to customers' needs by being able to improve information exchange, reduce the cost of transaction and coordination, and generate completely new services (Morone, 1989; Tapscott, 1996). Transformation involves taking a system perspective on the role of the process within the organization as a whole. In other words,

the technology adopted has been integrated into the routine business practices of the organization.

On the same line of reasoning, Wang and Fesenmaier (2006) revealed that in the tourism industry, DMOs such as CVBs use web-based technologies in different ways and with varying intensity owing to different technology capabilities, financial resources and marketing objectives. They conclude that the majority of American CVBs are at a preliminary stage of utilizing web technologies for marketing activities. That is, the website is used only for broadcasting purposes by providing brochure-like information about the destination. However, at the second stage, with an increased level of acquaintance and comfort with technology use, more CVBs are moving forward to engaging in more advanced and sophisticated technology applications. These CVBs take advantage of web technologies to make business activities more effective and efficient by providing e-commerce-related features as well as more advanced capabilities, such as interactive queries and request forms, to facilitate communication with potential travellers. At the third stage, some bureaus have been able to re-engineer their whole business practices through integrating technology systems into the overall business processes of the entire organization. For these CVBs, as their existing scope and reach expand, the interactive and integrated technology applications enable them to recreate and maintain their business relations with various stakeholders by providing personalization and recommendation capabilities (Yuan *et al.*, 2003; Wang and Fesenmaier, 2006).

Ample evidence can be found in numerous other studies in the generic business area to support these observations and findings. For example, Forman (2005) found that organizations implement website functions in different stages by first implementing basic and relatively inexpensive-to-adopt Internet applications such as information broadcasting oriented websites and basic communication mechanisms such as e-mail, and then move on to higher level applications. Sharma (2002) states that an organization's Internet presence evolves in five stages: information,

knowledge, conversations, relationships and e-commerce. The five stages demonstrate the progress and increased complexity of the Internet functions and how they are used to create value for the customer. Sharma (2002) proposes that as an organization's Internet functions evolve through the five stages they provide greater value to the customer. Dutta and Segev (1999) divide organization's Internet activity into three stages: (i) publishing corporate information; (ii) conducting electronic commerce; and (iii) business transformation. They also argue that these three stages represent increasingly more sophisticated usage of technology by taking advantage of the interactive potential of the Internet.

Several researchers have proposed models to explain web technology implementation with various levels of sophistication and interactivity from a relationship marketing perspective, arguing that the progression of customer relationship building and management requires the support of more sophisticated technology capabilities in the digital environment. For example, Kotler *et al.* (2003) proposed that there are five basic levels of relationship that can be formed with a customer online: (i) basic (a company sells the product but does not follow up in any way); (ii) reactive (a company sells the product and encourages the customer to call at any time with questions or problems); (iii) accountable (a company contacts the customer before and during the service encounter requesting suggestions for improvement); (iv) proactive (a company contacts the customer from time to time with suggestions, improvements or creative suggestions for the future); and (v) partnership (a company works closely with customers to discover ways to deliver better value).

This relationship perspective helps to explain the focus of relationship marketing and the different levels of technology applications implemented within an organization. The goal of any company is to use more sophisticated and interactive technology applications to reach a partnership with their customers because it is at this stage where the relationship is most profitable (Grönroos 1990, 1994; Zablah *et al.*, 2004). CVBs seek to create partnerships with customers in which

the relationship becomes beneficial for both parties involved. This partnership can be achieved by the organization having technology systems in place to provide a customized experience for the customer (e.g. to provide information catering to their needs) which can translate into increased customer satisfaction and repeat visitation (Wang and Fesenmaier, 2006).

These models and their associated propositions seem to suggest the following themes. First, an organization's implementation of technology applications usually demonstrates a transitional pattern by progressing incrementally from the basic to more complex applications. Secondly, as the technology is used for higher order purposes, the sophistication and interactivity of the technology applications increase, together with the increase in complexity of business processes. Thirdly, to compensate for the increase of technology sophistication and interactivity as well as the complexity of business processes, organizations will witness a higher level of value creation and higher potential returns from their Internet presence. This will in turn lead to more successful web marketing strategy execution. Thus, it could be argued that there is a positive relationship between a CVB's website sophistication and web marketing success.

Determining Factors of Website Sophistication and Web Marketing Success

One important argument of this chapter is that CVBs strive to maximize value creation and achieve successful web marketing through the use of sophisticated and interactive web-based technology applications in their websites. Yet in the attempt to attain a competitive advantage through more sophisticated use of technology, not all of these DMOs are necessarily created equal and with the same implementation capacities. This occurs because not all of them start with the same foundation of technology understanding and expertise, resources and other associated capabilities. Further to an extensive and critical review of the relevant literature in this area (Thong, 1999;

Goode and Stevens, 2000; Scupola, 2003; Zhu *et al.*, 2003; Wang and Qualls, 2006), and considering the unique nature of the technology climate facing CVBs, four factors are identified as having significant impact on CVB website sophistication as well as on the success of their web marketing efforts: financial commitment, technology competence, innovativeness and absorptive capacity.

Financial commitment

Research has shown that technology projects are usually constrained by resources available to the organization, especially the budget to support the adoption. Previous research has demonstrated that financial commitment represented by the technology budget has a great impact on whether organizations can eventually adopt the technology, irrespective of how beneficial it might be to the organization. Thus, it has a positive effect on the overall technology implementation behaviour (Ariss *et al.*, 2000; Goode and Stevens, 2000).

This proposition has been widely supported by other researchers who have argued that having adequate resources is a necessary first step towards the decision to adopt information systems as well as affecting the extent of usage (e.g. Thong, 1999; Zhu and Kraemer, 2005). Earlier studies have suggested that businesses that budget for IT acquisition and maintenance are likely to be technology adopters and constant users (Goode and Stevens, 2000). The existence of an IT budget indicates that the business considers IT to be important for its operations (Grover and Teng, 1992). It is easy to conceive that implementing e-business functions within an organization requires investment to obtain hardware, software, system integration and employee training (Zhu and Kraemer, 2005). Sufficient business resources dedicated to e-business allow the organization to obtain the IT necessary resources and develop them into superior e-business functionalities (Zhu and Kraemer, 2005). Therefore, only those businesses that have adequate financial and organizational resources would consider implementing technology solutions as a viable undertaking (Thong, 1999).

Though there are research findings which indicate that financial resources are important but not determinant for e-commerce adoption and usage (e.g. Scupola, 2003), the dominant theme revealed from this stream of research suggests that IT budgets are good indicators of technology adoption and usage behaviour, including the use of the World Wide Web (Goode and Stevens, 2000). This is especially true for CVBs that are predominantly small and medium-sized enterprises. As a matter of fact, such technology capacity within a CVB will not only facilitate (or hinder) the implementation process, but also affect the ultimate result of the implementation. CVBs with greater resources and financial commitment towards web-based technology development are more likely to achieve a greater extent of usage, and integrate more sophisticated and interactive technology applications which, in turn, leads to more successful implementation of e-marketing (Wang and Fesenmaier, 2006). In other words, a DMO's technology budget will have impact on its website sophistication and web marketing success.

Technology competence

It is believed that the presence in an organization of a higher degree of technological competence, represented by the knowledge and skills of the management team and employees as a whole, may lead to more extensive use of technology to achieve business goals. This position can be supported by several arguments. First, organizations with a high level of technology competence may encounter less resistance to innovation and thus are more open to embrace technology for business solutions. They might be more receptive to technological change, and be more willing to adapt and integrate technology into their daily business operations. Secondly, previous research has shown that organizations with higher levels of technology competence develop unique cultures around their ability to accept new technology and change. These organizations are more willing to deviate from existing practices in creating new products and/or processes through the use of new technologies (Srinivasan *et al.*, 2002).

Technology competence can be broadly understood as the quality of an organization's human IT resources. The quality of human IT resources in this study refers to the capacity of IT professionals possessing the knowledge and skills to implement Internet-related applications (Zhu and Kraemer, 2005). Human IT resources provide knowledge and skills to develop e-business applications. Studies have found that the development of technical and management skills are vital to the successful implementation of web-based solutions (Adebanjo, 2003).

Zhu *et al.* (2003) studied electronic business adoption by firms and the factors that facilitate its adoption. The study found that the company's technology competence is significant to adoption facilitation. The results of the study suggest that firms must pay great attention to their capability to adopt e-business and keep in mind that technology competence constitutes Internet skills and e-business know-how. However, as an organization's Internet technology spreads, and becomes a necessity for that organization to stay in business, technology and managerial skills for e-business management become more significant. The necessity of managerial and technology skills urges top managers to promote the retention of employees and staff with managerial and technological e-business skills (Thong, 1999; Scupola, 2003; Zhu *et al.*, 2003).

The results of the study by Zhu and Kraemer (2005) indicate that technology competence has a significant influence on the extent of the use of e-business, with firms possessing higher levels of technology competence tending to achieve a greater extent of e-business use with better business value. In addition, as technology competence within an organization is influenced by its employees' technology expertise, it is important to address employees' IT knowledge. Employees who are more knowledgeable about IT are more likely to adopt IT functions (Thong, 1999). Scupola (2003) states that once e-commerce had been adopted, the employees' knowledge and relative resistance to change is considered key to its diffusion in the company and, in turn, its use within the company.

The same observation has been made among small and medium-sized enterprises in the context of Internet commerce adoption and usage. For example, Scupola's (2003) study found that an organization's overall technology environment is a necessary condition for the adoption and implementation of e-commerce activities; he claimed that technology competence is the second most significant organizational characteristic that determines the extent of technology use. In addition, Thong (1999) found that small businesses with employees possessing greater IT knowledge are likely to use IT more extensively. With regards to the use of the World Wide Web, IT experience was associated with World Wide Web adoption and use (Goode and Stevens, 2000). Therefore, CVBs with a higher degree of technology competence tend to enjoy greater readiness to use e-business and e-commerce activities in their web marketing efforts (Zhu and Kraemer, 2005; Wang and Fesenmaier, 2006). As a result, these CVBs would be more likely to achieve a greater extent of web-based technology usage. Thus, it can be argued that there is a positive relationship between a DMO's technology competence and its website sophistication and Web marketing success.

Innovativeness

Another factor affecting the effective utilization of Internet technology is the organization's innovativeness. Innovative firms are more willing to experiment with new things, which is a facilitating factor towards the adoption and application of information technologies. Innovation is an important function of management because it is linked to organizational learning and business performance, as has been demonstrated in many studies. In the general business environment, it appears that the ability to innovate has begun to eclipse more traditional contributors to organizational learning (Hamel, 1998), and will be the key determinant of competitiveness over the long term. Hurley and Hult (1998) found that higher levels of innovativeness in the firms' culture are associated with a greater capacity for adaptation. In addition, higher levels of innovativeness are associated with cultures that emphasize learning, development and participative decision making. Porter (1985) recognizes innovation as an essential driver of competition in industry and a powerful competitive weapon of the individual firm.

On a global scale, the information revolution has created a business environment with shorter product cycles, increased segment fragmentation, blurring industry boundaries, breaking corporate hierarchies and increased interdependence of global markets. Such increased environmental dynamism increases the need for innovation – the ability of a firm to introduce new products and production processes, especially through the use of technology, in order to capitalize on marketplace opportunities (Zahra and George, 2002).

There are many ways in which innovativeness can be examined and measured. Following Miller (1993), Ozsomer *et al*. (1997) argued that a firm's strategies, structures and culture embody the purposes and goals of the organization as well as the organization's actions and decisions toward innovation. They also argued that dominant themes in innovative firms are invention and pioneering (Miller, 1993). These innovative organizations centre their strategies around the novelty and technological sophistication of their product(s), and adapt their strategies to the requirements of the environment (Porter, 1985). A firm can choose an aggressive, proactive posture, or a passive, reactive one. In broad terms, an aggressive strategic posture is marked by strong emphasis on technological leadership, radical new product innovation, and a preference for high-risk, high potential reward projects over 'safer' projects on the part of management (Corin and Slevin, 1988).

Wang and Fesenmaier (2006) argued that, from a CVB's perspective, the development of an effective web marketing strategy that markets and promotes the destination as a comprehensive experience requires innovative organizational approaches. Indeed, CVBs are increasingly struggling with the abundance and complexity of issues they have to face when trying to establish a concerted

online presence, and only those CVBs that are innovative and flexible enough are able to achieve their online marketing goals. It can be proposed that the relationship between a DMO's innovativeness and its website sophistication and web marketing success should be positive.

Absorptive capacity

Pioneered by Cohen and Levinthal (1990), absorptive capacity refers to, in an organizational context, a firm's ability to evaluate the technological and commercial potential of knowledge in a particular domain, assimilate it and apply it to commercial ends. In the tourism context, a higher absorptive capacity helps a CVB to comprehend technology developments taking place in the area of web-based marketing, and to incorporate new knowledge into its own innovation which, in turn, leads to sustainable competitive advantage (Barney, 1991). Sigala *et al.* (2001) argued that the adoption and diffusion of innovations in the tourism industry are limited by the ability of tourism organizations to recognize the value of new information and put it into commercial application, an argument which is very close to the concept of absorptive capacity and organizational learning capacity.

Absorptive capacity is a limit to the rate or quantity of scientific or technological information that a firm can absorb. Conceptually, it is similar to information processing theory, but at the firm level rather than at the individual level (Cohen and Levinthal, 1990). The ability to efficiently discover, assimilate and exploit new practices is a critical element of sustained competitive advantage (Teece and Pisano, 1994). With the increasing competition in the contemporary business environment, all firms in the industry are likely to be aware of the importance of know-how regeneration, and will try to renew their knowledge resource base as best as they can. Besides generating the required knowledge in-house, they are always engaged in tasks of 'looking out', and make judgements on what knowledge to acquire and how to acquire it (Cohen and Levinthal, 1990).

Evidence can be found in previous research which supports the proposition that a firm's absorptive capacity derives from stocks of knowledge both within and outside the firm (e.g. Cohen and Levinthal, 1990; Zahra and George, 2002). For example, a firm's absorptive capacity can be developed through the managers' active involvement in building knowledge stocks through investment in internal research and development and by creating linkages to external knowledge sources such as universities and consultants.

In the context of CVB businesses, where the majority of the organizations are small and medium sized, a CVB's absorptive capacity probably depends more on its Director/ CEO, who stands at the interface of either the CVB and the external environment or at the interface between various departments/units within the organization. Such Directors/ CEOs are more likely to assume relatively centralized 'gatekeeping' or 'boundary spanning' roles (Nyheim *et al.*, 2004). Such a gatekeeper both monitors the technology environment and facilitates the selection and implementation of the 'right' combination of technology applications to achieve and sustain success in the organization's web marketing efforts. Thus, a DMO's absorptive capacity should have positive impacts on its website sophistication and Web marketing success.

Applications, Discussions and Implications

In order to assess the status of DMSs, as well as the impacts of organizational factors on their sophistication and success, CVBs at three levels (regional, county and city) in the USA were used to apply the findings from the investigation that has been carried out in this chapter. The sample was drawn from a database constructed from the integration of various sources. Specifically, names of CVBs were obtained through several searches of the Internet using a keyword search including the names of each state (e.g. Indiana, New York, Wyoming, etc.), tourism,

travel and visitor centres. In addition, the websites for each state were searched for up-to-date lists of CVBs. The results of these efforts were combined with a membership list provided by the IACVB (now DMAI). A total of 1200 CVBs were identified and then contacted using a brief telephone call to confirm the address and the name of the CEO/Director of each. A survey questionnaire was developed and mailed to the CEOs/Directors of the CVBs, together with a cover letter explaining the purpose of the survey and seeking assistance and support from the tourism organizations. This section briefly reports the key findings of the study, and includes major efforts to provide discussion on and assess the implications associated with the study results.

It is proposed, as already recounted, that a DMS should be composed of four interrelated components: virtual information space (VIS), virtual communication space (VCS), virtual transaction space (VTS) and virtual relationship space (VRS). The sophistication of CVB websites was assessed by first asking them what functions are performed on their sites. The results indicated, as presented in Fig. 12.1, that CVBs demonstrated different capabilities in implementing each of the four website functions: information orientation (88.6%), communication orientation (51.8%), transaction orientation (21.1%), and relationship orientation (14%).

At the most fundamental level, a DMS must provide tourists with up-to-date information about the destination. Once the information level has been sufficiently implemented, CVBs should then consider the communication function, which takes into account all areas of promotion and marketing research. At this stage, e-mail and contact information are disseminated, allowing for a direct exchange of information between the DMS and consumers, which paves the way for future relationship building. The implementation of the transaction function enables CVBs to generate revenue both internally and externally for their stakeholders. At the very core of this system is the relationship management component, which is probably the most difficult to implement given the required technological expertise and lack of knowledge

base in this area (Prideaux and Cooper, 2003). Munhall (2004) states that its relationship management strategy dictates how an organization will build and leverage capabilities to target and interact with customers.

For ease of understanding, the function of each of the components of a DMS can be likened to a marriage relationship. The first stage of VIS attempts to lure potential consumers to 'behold their presence', and behaves in a tempting manner. This 'flirting stage' is elusive and merely exhibits visual, verbal or written attributes. Next, the VCS allows destinations and consumers to become familiar with each other through the communication process. At this point, an acquaintance has been made and leads into the 'courting stage'. For most organizations, this phase may be lengthy, allowing adequate time to build up the elements of trust and commitment. It is only after this stage has been sufficiently nurtured that the relationship can develop to the 'engagement stage' and lead to a transaction (VTS). Elements of trust and security have been fully recognized when dealing with transactions in the VTS. At the most intimate and advanced level in a relationship is the function of the VRS, which can only be attained after all the previous stages have been implemented well. This stage of the relationship, the 'marriage stage', comes together with commitment, loyalty and open communication. As with any marriage, this stage must be continually nurtured and respected to prevent a partner from going elsewhere, thereby ending the relationship and entering the devastating 'divorce stage'. Therefore, it is the contention of this chapter that the VRS is the most critical function of a DMS in developing long-lasting, meaningful relationships with its consumers. Although implementation of the VRS is perhaps largely misunderstood and still in its infancy, it would behove CVBs to strategically align their objectives to meeting this level of sophistication in developing their DMSs.

The analysis presented here of the application of the four components of a DMS seems to suggest that these systems are still in the preliminary stages of development, and show a hierarchical progression of usage and sophistication. It appears that CVBs are

performing well in providing and incorporating information-oriented applications related to attractions, activities and accommodation, but that the performance becomes weaker in relation to application for communication purposes. The weakest areas of application of all are demonstrated by two functions – transaction and relationship building – with only a small percentage of CVBs being able to function in these two areas. According to Yuan *et al.* (2003), this lack of development appears to be a manifestation of the inability of CVBs to effectively adopt and manage the IT necessary to support more sophisticated operations and business processes. This calls for CVBs to move to a higher level in terms of the sophistication and interactivity of their technology use in order to provide a more balanced and wider array of features and functionalities in their DMSs to accommodate the diverse needs of their potential visitors.

It is demonstrated that DMSs are generally weak in providing e-commerce transaction-related capabilities. CVBs are umbrella marketing organizations representing the local tourism community without actual products at their disposal. Therefore, they should provide e-commerce functionality through closer and seamless cooperation and coordination with the actual tourism providers and suppliers. In other words, under the more competitive market condition, it is not sufficient for CVBs to interpret their mission as only providing information and marketing the destination, and remain at arm's length from commerce and leave it to the private sector. Instead, CVBs need to extend their role into deeper product merchandising, thereby setting the stage for customers to develop a deeper relationship with the destination.

Following the same trend, applications of VRS in destination marketing systems are also weak and this has raised some serious concerns given the consensus of the importance among CVBs in this area. Their inability to operate successfully in this area might be hampered by the lack of technology expertise and management skills required. In order to effectively develop and manage the applications in VRS, a CVB must have some knowledge of its customers. For example, as a starting point, CVBs need to use various means to gather customer information such as demographic and psychographic characteristics. Research of this type enables a CVB to strengthen its destination's marketing plan in targeting the visitors' needs and purchasing behaviours (Ritchie and Ritchie, 2002), but requires tremendous knowledge and skills in information gathering, analysis and utilization.

While the data collection process is an extremely important aspect of the VRS, many tourism organizations fail to utilize the information when developing their marketing plans. The study by Ritchie and Ritchie (2002) validated this point by stating the fact that though a great deal of research is being conducted in tourism, it is inefficiently used and rarely exploited to its full potential. Research conducted by Wober (2003) confirmed this argument, noting that while there is an overabundance of market research data in the tourism industry, many entrepreneurs still do not have the proper tools and knowledge, especially in terms of market segmentation or market positioning, to fully understand their customer base.

The complex nature of CVBs in working with many different levels of stakeholders presents them with the ever-increasing challenge of developing and maintaining a delicate relationship that promotes commitment and trust (Williams and Palmer, 1999). With the numerous players that represent a single destination, there will be a need for greater cooperation in order to minimize disagreements and a divergence of interests (Prideaux and Cooper, 2003). Nevertheless, argues Gartrell (1993), it is vital that CVBs maintain positive and productive relationships with all levels of stakeholders and consumers. In order to meet their strategic marketing objectives, CVBs must become proficient in the administration and utilization of market research, and must also be able to effectively communicate and develop marketing buy-in opportunities with their stakeholders (Ritchie and Ritchie, 2002). The overall rate of growth by destinations will be influenced as a result of CVBs working closely with both private and public sector stakeholders (Prideaux and Cooper, 2003). Therefore, the VRS is critical in helping CVBs strengthen their roles as

communicators and marketers for their destinations.

The study reported here also attempted to understand the relationship between the sophistication of CVB websites and their web marketing success, as well as the impact of organizational factors (i.e. financial commitment, technology competence, innovativeness and absorptive capacity) on website sophistication and Web marketing success. The results demonstrated that the sophistication of CVB websites does have positive impact on their Web marketing success, and that these two variables are in turn affected by most of the four organizational factors (financial commitment, technology competence, innovativeness and absorptive capacity). It is true that the higher level of relationship building facilitated by the interactive potential of the Internet allows marketers to build strong, sustainable relationships with their customers and enhance loyalty (Walsh and Godfrey, 2000), and this has been reflected by the strong positive relationship between website sophistication and web marketing success found in the study. Unfortunately, the research results also suggest that American CVBs are making limited use of the Internet's interactivity potential in that the majority of the CVBs are using their websites mainly for information provision rather than utilizing their interactive capability to launch higher levels of applications to provide better value to consumers. The most frequently used function of the website is that of an online brochure, and the transaction and relationship building functions are rather weak. Indeed, this finding supports previous research findings which claim that existing firms tend to move from using the Internet as an informational tool towards transacting with the customer (Quelch and Klein, 1996; Dutta and Segev, 1999; Arnott and Bridgewater, 2002). Perhaps the most significant guideline for CVBs propounding the interactive potential of the Internet is that this transition is taking place. Given the low percentage of respondents using either relationship-facilitating or online transactional applications, this progression will probably move slowly, which suggests that CVBs still have a long way to go before they can really exploit the interactive potential of the Internet for effective marketing campaigns.

Another interesting result of the study is that financial commitment has a strong positive effect on the sophistication of CVB websites, but a non-significant negative effect on web marketing success. In other words, how much money they allocate to web marketing development determines how far they can go in terms of the level of interactivity and sophistication of their websites. However, a technology budget alone will not necessarily lead to success. The negative relationship between the technology budget and Web marketing success probably indicates that the CVBs have either high expectations or attempt to implement multiple applications at the expense of compromising the focus of the project. This leads to the conclusion that what is important is not how much money an organization can devote to Web marketing efforts but, rather, how effectively the budget is used. This is an encouraging message for CVBs with limited financial resources – that are usually associated with their small size. If the CVBs have a good and comprehensive plan and the right and 'smart' implementation of the plan, the limited resources, if utilized in an effective way, can still produce promising and successful results in their online marketing efforts.

The research results also reveal that a CVB's technology competence, measured by the technology expertise of both the management team and employees, has a positive and significant impact on Web marketing success. In the context of a CVB, the degree of technology expertise may be reflected by its past experience of IT and the percentage of personnel familiar with technologies. A workforce with a higher degree of IT knowledge/skills may become more receptive to technological change; it is also easier if the workforce has a higher level of adaptation to and integration of the technology into their work, thus reducing their resistance to the technology.

As the major decision makers for Web marketing strategies for the destination, the CVB management team's average level of knowledge of Web technology could be either a facilitator or a barrier to the execution of an

effective Web marketing strategy. Owing to less complexity and fewer layers of organization structure in CVBs, top management, in most cases the Director, plays an important role in the decision-making process. The director not only runs the organization but also provides direction in beliefs, vision, and day-to-day operating procedures in relation to technology strategies. Thus, management's technology understanding will be a crucial factor in the adoption and utilization process of technologies for CVBs (Wang and Fesenmaier, 2006; Yuan *et al.*, 2003). In addition, employees who are the frontline personnel implementing and operating the daily Web marketing activities are also vital to the execution of successful Web marketing efforts. It is imperative that CVBs create favourable organizational settings in which employees are able to constantly improve their IT knowledge and skills by, for example, providing training programmes related to technology application and strategies. In other words, CVBs need to work to change their existing organizational climate at different levels in order to be successful in their DMSs.

It has also been demonstrated that innovative CVBs tend to reach a higher level of sophistication/interactivity in their website operations and are more successful in their Web marketing efforts. The results of the study not only support previous research findings which claim that the development of a successful DMS requires innovative organizational approaches and a supporting organization technology climate (Wang and Fesenmaier, 2006), but also highlight the important and relevant organizational factors affecting the use of technology by CVBs. Being mostly SMEs (small and medium-sized enterprises), CVBs are usually inherently constrained by the technology capability and availability of financial resources that are necessary in any technology initiatives. However, compared with their larger counterparts in the manufacturing industry, CVBs usually have built-in flexibility, a less rigid division of work and a constant search for innovative solutions, factors which can possibly lead them to developing a concerted and effective marketing system for the destination – given the right technology climate. However, as pointed out by Sigala *et al.* (2001) and Strassmann (1990), CVBs need to be aware of the balance between 'technology' and 'information' when they strive for innovation through the use of information and communication technologies. They should realize that the impact of innovation is not restricted to technology only, but that it also applies to how to collect, analyse, present and distribute information through the use of technological means. While operating in an information intensive and complex and competitive business environment, CVBs will be required more and more to demonstrate their capacity to create and manage knowledge from the information gained by the technologies applied (Sigala *et al.*, 2001). CVBs need to develop effective strategies for using innovative technology applications such as database and data mining techniques to generate valuable information and intelligence in order to provide more sophisticated customer relationship management applications, such as customized products and personalized services.

The absorptive capacity of CVBs is found to have a positive significant impact on Web marketing success, but its relationship with website sophistication is negative, although not statistically significantly so. This result seems to suggest that the greater the organization's associated absorptive capacity, the more likely it is to be sensitive to emerging technological opportunities. In other words, CVBs with higher levels of absorptive capacity are more likely to define their technology aspirations in terms of performance measures rather than in terms of the pure opportunities present in the technical environment. Thus, CVBs with higher levels of absorptive capacity will tend to be more proactive in exploiting technology opportunities present in the marketplace, but the focus will be on whether the technology opportunities can improve the bottom line and performance of the organization.

In summary, the study provides empirical evidence to support the notion that the sophistication level of DMSs does have a positive impact on the performance of the Web-based marketing efforts of CVBs. The study also highlights the importance of

organizational factors on the level of sophistication of DMSs and on the overall success of Web marketing activities implemented by CVBs. The results of the study show that three organizational factors have the most impact on Web marketing success – technology competence, organizational innovativeness and absorptive capacity, and that two factors have significant impacts on website sophistication – organizational innovativeness and financial commitment. However, more research is needed in order to provide comprehensive parameters on and understanding of the web-based marketing activities of CVBs. For example, based on the specific characteristics of this type of organization, further research should include the examination of management characteristics and their impact on the implementation of web technology. In addition, because most DMOs are non-profit organizations, the aspect of financial resources in the implementation of DMSs warrants further investigation. Furthermore, as the mission of the organization plays an important role on the strategies implemented, further examination on aspects of the mission of a CVB and its impact on Web-based marketing would be an interesting topic to investigate.

Acknowledgement

References

Abramson, J. and Hollingshead, C. (1999) Marketing on the Internet – providing consumer satisfaction. *Journal of Internet Marketing* 1(1). Available at: http://www.arraydev.com/commerce/jim/9802-01.htm (accessed 21 March 2011).

Adebanjo, D. (2003) Classifying and selecting e-CRM applications: an analysis-based proposal. *Management Decision* 41, 570–577.

Anckar, B. and Walden, P. (2001) Introducing Web technology in a small peripheral hospitality organization. *International Journal of Contemporary Hospitality Management* 13, 241–250.

Ariss, S.S., Kunnathar, A. and Raghunathan, T.S. (2000) Factors affecting the adoption of advanced manufacturing technology in small firms. *Advanced Management Journal* 65(2), 14–21.

Arnott, D. and Bridgewater, S. (2002) Internet, interaction and implications for marketing. *Marketing Intelligence and Planning* 20, 86–95.

Barney, J. (1991) Firm resources and sustained competitive advantage. *Journal of Management* 17, 99–120.

Barker J. (1993) Ways and means. *Successful Meetings* 42(2), 109.

Bender, D.E. (1997) Using the Web to market the hospitality, travel, and tourism product or service. *HSMAI Marketing Review* 14(3), 33–37, 39.

Bieger, T. and Laesser, C. (2004) Information sources for travel decisions: toward a source process model. *Journal of Travel Research* 42, 357–371.

Blattberg, R.C. and Deighton, J. (1991) Interactive marketing: exploiting the age of addressability. *Sloan Management Review*, Fall 1991, 5–14.

Born, M.A., Furr, H.L. and Susskind, A.M. (1998) Using the Internet as a pleasure travel planning tool: an examination of the sociodemographic and behavioral characteristics among Internet users and non-users. *Journal of Hospitality and Tourism Research* 22, 303–317.

Buhalis, D. (2003). *eTourism – Information Technology for Strategic Tourism Management.* Pearson Education, Harlow, UK.

Buhalis, D. and Laws, E. (2001) *Tourism Distribution Channels: Practices, Issues and Transformations.* Continuum, London.

Burgess, L. and Cooper, J. (2000) Extending the viability of MICA (Model of Internet Commerce Adoption) as a metric for explaining the process of business adoption of Internet commerce. Paper presented at

the International Conference on Telecommunications and Electronic Commerce, November 2000, Dallas, Texas.

Chathoth, P.K. and Olsen, M.D. (2003) Strategic alliances: a hospitality industry perspective. *International Journal of Hospitality Management* 22, 419–434.

Cohen, W.M. and Levinthal, D.A. (1990) Absorptive capacity: new perspective on learning and innovation. *Administrative Science Quarterly* 35, 128–152.

Contractor, N.S., Wasserman, S. and Faust, K. (1999) Testing multi-level, multi-theoretical hypotheses about networks in 21st century organizational forms: an analytic framework and empirical example. *Academy of Management Review* 31, 681–703. Available at: http://nosh.northwestern.edu/journals/MTML-AMR.pdf (accessed 21 March 2011).

Corin, J.G. and Slevin, D.P. (1988) The influence of organization structure on the utility of an entrepreneurial top management style. *Journal of Management Studies* 25, 217–234.

Ditto, S. and Pille, B. (1998) Marketing on the Internet. *Healthcare Executive* 13(3), 54–55.

DMAI (Destination Marketing Association International) (2011) What is A Destination Marketing Organization? Available at: http://www.destinationmarketing.org/page.asp?pid=105 (accessed 21 March 2011).

Doolin, B., Burgess, L. and Cooper, J. (2002) Evaluating the use of the web for tourism marketing: a case study from New Zealand. *Tourism Management* 23, 557–561.

Duncan, T. and Moriarty, S. (1998) A communication-based marketing model for managing relationships. *Journal of Marketing* 62 (April 1998), 1–13.

Dutta, S. and Segev, A. (1999) Business transformation on the Internet. *European Management Journal* 17, 466–476.

Evans, M.J., O'Malley, L. and Patterson, M. (1996) Direct marketing communications in the UK: a study of growth past, present and future. *Journal of Marketing Communications* 2, 51–65.

Feinberg, R. and Kadam, R. (2002) E-CRM Web service attributes as determinants of customer satisfaction with retail Web sites. *International Journal of Service Industry Management* 13, 432–451.

Feng, R., Morrison, A.M. and Ismail, J.A. (2003) East versus West: a comparison of online destination marketing in China and the USA. *Journal of Vacation Marketing* 10, 43–56.

Fodness, D. and Murray, B. (1999) A model of tourist information search behavior. *Journal of Travel Research* 37, 220–230.

Forman, C. (2005) The corporate digital divide: determinants of Internet adoption. *Management Science* 51, 641–654.

Frew, A. and O'Connor, P. (1999) Destination marketing system strategies: refining and extending an assessment framework. In: Buhalis, D. and Schertler, W. (eds) *Information and Communication Technologies in Tourism, ENTER'99 Conference Proceedings*. Springer-Verlag, Vienna/New York, pp. 398–407.

Gartrell, R.B. (1993) Convention and visitor bureaus: current issues in management and marketing. *Journal of Travel and Tourism Marketing* 1(2), 71–78.

Ghosh, S. (1997) Selling on the Internet: achieving competitive advantage and market lead. *Planning Review* 25(3), 53–55.

Goode, S. and Stevens, K. (2000) An analysis of the business characteristics of adopters and non-adopters of World Wide Web technology. *Information Technology and Management* 1, 129–154.

Grönroos, C. (1990) Relationship approach to marketing in service contexts: the marketing and organizational behavior interface. *Journal of Business Research* 20(1), 3–11.

Grönroos, C. (1994) From marketing mix to relationship marketing: towards a paradigm shift in marketing. *Management Decision* 32(2), 4–20.

Grover, V. and Teng, J.T.C. (1992) An examination of DBMS adoption and success in American organizations. *Information and Management* 23, 239–248.

Hamel, G. (1998) The challenge today: changing the results of the game. *Business Strategy Review* 9(2), 19–26.

Hanson, W. (2000) *Principles of Internet Marketing*. South-Western College Publishing, Cincinnati, Ohio.

Ho, J. (1997) Evaluating the World Wide Web: a global study of commercial sites. *Journal of Computer Mediated Communication* 3(1). Available at: http://jcmc.indiana.edu/vol3/issue1/ho.html (accessed 22 March 2011).

Hoffman, D. and Novak, T. (1996) Marketing in hypermedia computer-mediated environments: conceptual foundations. *Journal of Marketing* 60 (July 1996), 50–68.

Hudson, S. and Lang, N. (2002) A destination case study of marketing tourism online: Banff, Canada. *Journal of Vacation Marketing* 8, 155–165.

Hurley, R.F. and Hult, T.M. (1998) Innovation, market orientation, and organizational learning: an integration and empirical examination. *Journal of Marketing* 62 (July 1998), 42–54.

Kotler, P., Bowen, J. and Makens, J. (2003) *Marketing for Hospitality and Tourism*, 3rd edn. Pearson Education Prentice Hall, Upper Saddle River, New Jersey.

Lau, K., Lee, K., Lam, P. and Ho, Y. (2001) Web-site marketing for the travel and tourism industry. *Cornell Hotel and Restaurant Administration Quarterly* 42(6), 55–62.

Liu, C., Arnett, K.P., Capella, L. and Beatty, B. (1997) Web sites of Fortune 500 companies: facing customers through home pages. *Information and Management* 31, 335–345.

Martin, C. (1997) *The Digital Estate: Strategies for Competing, Surviving, and Thriving in an Internet-worked World*. McGraw-Hill, New York.

Miller, D. (1993) The architecture of simplicity. *Academy of Management Review* 18, 116–138.

Min, H. and Emam, A. (2002) A data mining approach to developing the profiles of hotel customers. *International Journal of Contemporary Hospitality Management* 14, 274–285.

Morgan, N., Pritchard, A. and Pride, R. (2004) *Destination Branding: Creating the Unique Destination Proposition*. Elsevier, New York.

Morrison, A.M., Bruen, S.M. and Anderson, D.J. (1998) Convention and visitor bureaus in the USA: a profile of bureaus, bureau executives, and budgets. *Journal of Travel and Tourism Marketing* 7(1), 1–19.

Morone, J. (1989) Strategic use of technology. *California Management Review* 3(4), 91–110.

Munhall, B. (2004) The franchisee's role in customer relationship management. *HSMAI Marketing Review* 21(2), 52–53.

Nyheim, P., McFadden, F. and Connolly, D. (2004) *Technology Strategies for the Hospitality Industry*. Pearson Prentice Hall, Upper Saddle River, New Jersey.

Ozsomer, A., Calantone, R. and Benedetto, A. (1997) What makes firms more innovative? A look at organizational and environmental factors. *Journal of Business and Industrial Marketing* 12, 400–416.

Ozturan, M. and Roney, S.A. (2004) Internet use among travel agencies in Turkey: an exploratory study. *Tourism Management* 25, 259–266.

Palmer, A. and McCole, P. (2000) The role of electronic commerce in creating virtual tourism destination marketing organizations. *International Journal of Contemporary Hospitality Management* 12, 198–204.

Patterson, M. (1998) Direct marketing in postmodernity: neo-tribes and direct communications. *Marketing Intelligence and Planning* 16(1), 68–74.

Poon, S. and Swatman, P.M.C. (1999) An exploratory study of small business Internet commerce issues. *Information and Management* 35, 9–18.

Porter, M.E. (1985) Technology and competitive advantage. *Journal of Business Strategy* 5(3) 60–78.

Presenza, A., Sheehan, L. and Ritchie, J.R.B. (2005) Towards a model of the roles and activities of destination management organizations. *Journal of Hospitality, Tourism and Leisure Science* 3, 1–16.

Prideaux, B. and Cooper, C. (2003) Marketing and destination growth: a symbiotic relationship or simple coincidence? *Journal of Vacation Marketing* 9, 35–51.

Quelch, J.A. and Klein, L. (1996) The Internet and international marketing. *Sloan Management Review*, Spring 1996, 60–75.

Ritchie, R.J.B. and Ritchie, J.R.B. (2002) A framework for an industry supported destination marketing information system. *Tourism Management* 23, 439–454.

Scupola, A. (2003) The adoption of Internet commerce by SMEs in the South of Italy: an environmental, technological and organizational perspective. *Journal of Global Information Technology Management* 6, 52–71.

Sharma, A. (2002) Trends in Internet-based business-to-business marketing. *Industrial Marketing Management* 31, 77–84.

Sheldon, P.J. (1993) Destination information systems. *Annals of Tourism Research* 20, 633–649.

Sheldon, P.J. (1994) Destination databases. *Annals of Tourism Research* 21, 179–181.

Sigala, M., Airey, D., Jones, P. and Lockwood, A. (2001) Multimedia use in the UK tourism and hospitality sector: training in skills and competencies. *Information Technology and Tourism* 4, 31–39.

Smith, P.R. and Taylor, J. (2004) *Marketing Communications: An Integrated Approach*. Kogan Page, London.

Srinivasan, R., Lilien, G. and Rangaswamy, A. (2002) The role of technological opportunism in radical technology adoption: an application to e-Business. *Journal of Marketing* 66(3), 47–60.

Strassman, P. (1990) *The Business Value of Computers: An Executive Guide*. The Information Economics Press, New Canaan, Connecticut.

Tapscott, D. (1996) *The Digital Economy: Promise and Peril in the Age of Networked Intelligence*. McGraw-Hill, New York.

Teece, D. and Pisano, G. (1994) The dynamic capabilities of firms: an introduction. *Industrial and Corporate Change* 3, 537–556.

Thong, J.Y.L. (1999) An integrated model of information systems adoption in small businesses. *Journal of Management Information Systems* 15, 187–214.

Tierney, P. (2000) Internet-based evaluation of tourism website effectiveness: methodological issues and survey results. *Journal of Travel Research* 39, 212–219.

Timmers, P. (1998) Business models for electronic markets. *Electronic Markets* 8(2), 3–8.

Vogt, C.A. and Fesenmaier, D.R. (1998) Expanding the functional information search model. *Annals of Tourism Research* 25, 551–578.

Walsh, J. and Godfrey, S. (2000) The Internet: a new era in customer service. *European Management Journal* 18, 85–92.

Wang, Y. and Fesenmaier, D.R. (2006) Identifying the success of Web-based marketing strategy: an investigation of convention and visitors bureaus in the United States. *Journal of Travel Research* 44, 239–249.

Wang, Y. and Qualls, W. (2007) Towards a theoretical model of technology adoption in hospitality organizations. *International Journal of Hospitality Management* 26, 560–573.

Wang, Y. and Russo, S. (2006) Conceptualizing and evaluating the functions of destination marketing systems. *Journal of Vacation Marketing* 13, 187–203.

Werthner, H. and Klein, S. (1999) *Information Technology and Tourism – A Challenging Relationship*. Springer-Verlag, Vienna, Austria.

Williams, A.P. and Palmer, A. (1999) Tourism destination brands and electronic commerce: towards synergy? *Journal of Vacation Marketing* 5, 263–275.

Wober, K.W. (2003) Information supply in tourism management by marketing decision support systems. *Tourism Management* 24, 241–255.

YPB&R (now Ypartnership) (2004) National Leisure Travel Monitor. Available at: www.ypartnership.com (accessed 21 March 2011).

Yuan, Y., Gretzel, U. and Fesenmaier, D.R. (2003) Managing innovation: the use of internet technology by American convention and visitors bureaus. *Journal of Travel Research* 41, 240–256.

Zablah, A.R., Bellenger, D.N. and Johnston, W.J. (2004) An evaluation of divergent perspectives on customer relationship management: towards a common understanding of an emerging phenomenon. *Industrial Marketing Management* 33, 475–489.

Zahra, S.A. and George, G. (2002) Absorptive capacity: a review, reconceptualization, and extension. *Academy of Management Review* 27, 185–203.

Zhu, K. and Kraemer, K.L. (2005) Post-adoption variations in usage and value of e-business by organizations: cross-country evidence from the retail industry. *Information Systems Research* 16, 61–84.

Zhu, K., Kraemer, K. and Xu, S. (2003) Electronic business adoption by European firms: a cross-country assessment of facilitators and inhibitors. *European Journal of Information Systems* 12, 251–268.

13 eTourism: Critical Information and Communication Technologies for Tourism Destinations

Dimitrios Buhalis, Daniel Leung and Rob Law

Introduction

Rapid technological progress and dynamic tourism developments have been going hand in hand for years (Poon, 1993; Sheldon, 1997). Since the 1980s, information communication technologies (ICTs) have been transforming tourism globally, creating applications and solutions that are often termed 'eTourism'. Developments in ICTs have undoubtedly changed both business practices and strategies, as well as industry structures (Porter, 2001). The establishments of computer reservations systems (CRSs) in the 1970s and of global distribution systems (GDSs) in the late 1980s, followed by the development of the Internet in the late 1990s, have transformed best operational and strategic practices in the industry dramatically (O'Connor, 1999; Buhalis, 2003; eBusiness W@tch, 2006). If the past 20 years have seen an emphasis on technology, then since the year 2000 we have been witnessing the truly transformational effect of ICTs and the Internet in particular.

Tourism as an international industry and as the biggest provider of jobs on the planet boasts a greater array of heterogeneous stakeholders than many other industries. The accelerating and synergistic interaction between technology and tourism in recent times has transformed the nature of tourism products, processes, businesses and competition.

Tourism organizations that have failed to master the right information technology (IT) systems would find it difficult to direct and manage their information-intensive businesses without damaging their competitiveness (Law and Jogaratnam, 2005). More strategically, ICTs are reshaping the fundamental structure of the industry and society (Buhalis, 1998, 2003). The significance of crossing the new information threshold of ubiquitous communication access has brought the entire tourism industry to the new levels of interactivity. Developments in search engines, and in the carrying capacity and speed of networks, have influenced the number of travellers around the world that use technologies for planning and experiencing their travels. The Internet is rapidly becoming the number one information source for travel and tourism. ICTs have also radically changed the efficiency and effectiveness of tourism organizations, the way that businesses are conducted in the marketplace and how consumers interact with organizations (Buhalis, 2003).

Tourism and hospitality are social phenomena, and the industries associated with them are largely application oriented. ICTs thus play a critical role in the competitiveness of tourism organizations and destinations as well as in the entire industry as a whole (WTO, 2001). Not only do ICTs support consumer centricity, with consumers being

able to identify, customize and purchase tourism products, they also support the globalization of the industry by providing effective tools for suppliers to develop, manage and distribute their offerings worldwide (Buhalis, 1998; Niininen *et al.*, 2007). As investment in and the adoption of ICTs are now an indispensable component of tourism and hospitality business, researchers increasingly seek to understand and communicate the significance of the new technologies, investigate and interpret developments in eTourism, and attempt to forecast the way ahead for both industry and technological development. More and more, destination management organizations (DMOs) use ICTs in order to facilitate the tourist experience before, during and after the visit, as well as for coordinating all partners involved in the production and delivery of tourism (Buhalis, 1997). Thus, DMOs not only attempt to provide information and accept reservations for local enterprises and coordinate their facilities, they also utilize ICTs to promote their tourism policy, coordinate their operational functions, increase the expenditure of tourists and boost the multiplier effects in the local economy (Buhalis and Spada, 2000). Destination management systems (DMSs) facilitate this function by handling a wide range of requests and by providing information on an ever-increasing supply of tourism products, in an efficient and appropriate way. DMSs are employed by many national and regional governments to facilitate the management of DMOs, as well as for the coordination of local suppliers at the destination level. Increasingly the sophistication of DMSs makes them a critical tool for the marketing and communication of DMOs (WTO, 2001; UNWTO, 2008).

Three main themes are identified as the main axes of eTourism research: consumer and demand dimensions, technological innovation and industry functions. These are discussed in the next three sections of this chapter.

Consumer and Demand Dimensions

eTourism enables prospective travellers to access a much greater wealth of reliable and accurate information provided by tourism organizations, private enterprises and, more and more, by other users/consumers. Ever more new, experienced, sophisticated and demanding travellers require interaction with suppliers to satisfy their own specific needs and wishes. eTourism empowers travellers to undertake reservations in a fraction of the time, cost and inconvenience required by conventional methods (O'Connor, 1999). From information search to destination/product consumption and post-experience engagement, ICTs offer a wide range of tools to facilitate and improve the process so that customers are able to search for travel-related information, and make online air ticket bookings, online room reservations and other online purchases themselves instead of relying on travel agencies to undertake this process for them (Morrison *et al.*, 2001). Owing to the popularity of Internet applications, most tourism organizations – such as hotels, airlines and travel agencies – have embraced Internet technologies as part of their marketing and communication strategies and have already generated significant proportions of their business online. ICTs place users in the middle of this functionality and product delivery, and so the Internet has changed tourism consumer behaviour dramatically (Mills and Law, 2004).

According to Kotler *et al.* (1999), no matter whether a purchase is conducted online or offline, consumers will go through the five stages in the buyers' decision-making process before any purchase is made. These five stages include need recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour. The following five subsections show how ICTs play an important role in each of these stages of the buyers' decision making process, and that eTourism is in the centre of consumer processes for purchasing tourism products.

Need recognition

A contemporary/connected consumer is far less willing to wait or put up with delays, to the point where patience is a disappearing virtue. The key to success lies in the quick identification of consumer needs and in

reaching potential clients with comprehensive, personalized and up-to-date products and services that satisfy those needs. Understanding consumer behaviour, and especially information search behaviour, can help industrial managers to develop, optimize (as regards search engine function therein) and customize their websites to meet the needs of their customers. In this digital era, the Internet has become one of the most important sources of consumer information (Zins, 2007), especially for young and better educated consumers (Beritelli et al., 2007).

However, mature and senior travellers still prefer printed brochures as their major information source (Lin, 2005), and many travellers use the Internet in conjunction with offline information to plan a trip (Lee et al., 2007a). With the popularity of use of the Internet as a medium for searching travel information, most, if not all, tourism organizations have established websites to publicize their offerings as well as to collect consumers' data. The proliferation of social networking also increases inspirational messages and the ability of consumers to identify suitable products and services through their networks. Lin et al. (2006) used an online survey to examine the perceptions of members of the online community of specific destinations.

Information search

Information search is a significant part of the purchase decision process, and can reduce uncertainty and perceived risks, and enhance the quality of trips (Fodness and Murray, 1997). A well-informed consumer is able to interact better with local resources and cultures, to find products and services that meet his/her requirements and to take advantage of special offers and reduced prices. eTourism has also changed travellers' behaviour. Previous research showed that tourists who searched on the Internet tended to spend more at their destinations than those who consulted other information sources (Luo et al., 2004). The more research undertaken on a trip and more information being found, the better customer needs can be met and served.

Consumers of different gender, age, nationality, educational background and lifestyle display different search patterns (Hallab and Gursoy, 2006). Gursoy and McCleary (2004) developed a comprehensive theoretical model that integrated all psychological/motivational, economic and processing approaches into a cohesive whole for understanding tourists' information-seeking behaviour. Kozak (2007) analysed travellers from different countries to Turkey and concluded that different nationalities require different information sources. Travellers also required different information from the Internet at different stages of travel. For instance, before departure, the availability of information can affect travel planning, while later on they may seek reassurance from review sites that they have selected the right products (Lehto et al., 2006).

According to Snepenger et al. (1990), the four major factors that influence information search in the tourism context are: (i) the composition of vacation groups, (ii) the presence of families and friends at the destination, (iii) earlier visits to the destination, and (iv) the degree of novelty associated with the destination. Buhalis (1998) stated that potential tourists have become more independent and sophisticated in using a wide range of tools to arrange for their trips. These include reservation systems and online travel agencies (such as Expedia), search engines and meta search engines (such as Google and Kayak, respectively), DMSs (such as visitbritain.com), social networking and Web 2.0 portals (such as TripAdvisor), price comparison sites (such as Kelkoo), and the sites of individual suppliers and intermediaries. In the Internet era, search engines play an important role in information searching (Ho and Liu, 2005), and the Google search engine in particular is perceived to be the most important tool (Law and Huang, 2006). In addition, information search is moving to online social networks where people interact freely and exchange information (Chung and Buhalis, 2008). To better understand the search patterns of customers using a search engine, researchers have analysed search query formulas (Pan et al., 2007) and keywords. When searching for holiday destinations, tourist planning can

be deconstructed into a series of episodes and chapters reflecting the specific problem being addressed (Pan and Fesenmaier, 2006).

Among all types of travel information, pricing is a major issue in eTourism as many organizations use ICTs to communicate directly to consumers on web-only fares and rates, passing on discounts that are generated from saved commissions and distribution charges made in a short value chain. Prior research shows that search costs decrease in electronic markets owing to the diminishing cost of data exchange (Bakos, 1997, 1998). Previous studies found substantial price dispersion for domestic airline tickets offered by online travel agents in the USA, where the average price was lower than that offered by traditional travel agents (Clemons *et al.*, 2002). For customers searching on the Internet for the lowest room rates, the websites of travel agents and reservation agents are likely to be the best choice (Law *et al.*, 2007). However, although tourists can locate travel information on the Internet, Litvin *et al.* (2005) reported that only 3% of tourists surveyed ate at a restaurant that they had found on the Internet.

Evaluation of alternatives

The emergence of ICTs has dramatically increased the number of choices for consumers. Until the emergence of the Internet, consumers could only access major brand names and also those organizations in their immediate vicinity. Travellers can now use the Internet extensively to evaluate alternative opportunities and to compare and contrast offerings. The choice available varies from single products to the dynamical packaging of holidays. Using meta search engines, such as Kayak and Kelkoo, potential travellers can identify and evaluate products according to their preferences, filters and requirements (Buhalis and O'Connor, 2005). For example, with the fast expansion of no-frills airlines such as easyJet and Ryanair, as well as with the availability of holiday packages and hotel rooms discounted at the last minute, travellers can enjoy low-cost travel. Oorni and

Klein (2003), however, found that low-cost airlines have high online booking ratios because they offer simple products and are pursuing a direct sales strategy. Other airlines with complicated yield-management strategies simply obstruct consumers in searching for flights efficiently without expert assistance. Leading global online travel agents, such as Expedia, Orbitz, Lastminute, Opodo and Travelocity, are mainly successful for their provision of a platform for one-stop shopping with significant improvement in usability and interaction design (Klein, 2002). Also, the Internet has enabled consumers to engage directly with suppliers and challenge the role of intermediaries. It has also allowed consumers to interact dynamically with suppliers and destinations and often make requests that will enable them to customize their products. It is critical, therefore, for tourism organizations and destinations to manage their online reputation and to project a desirable image throughout all the different aspects of their online presence (Inversini *et al.*, 2010).

Despite the existence of the ample choices available on the Internet, online shopping motivation differs according to the complexity of the website, with variation depending on the Internet skill levels of users (Beldona *et al.*, 2005). Besides these variations in skill, psychological barriers often prevent consumers from completing transactions online, resulting in 'lookers' purchasing products offline. According to the findings of Wolfe *et al.* (2004), the reasons for consumers not purchasing travel products online are the lack of personal service, security issues, lack of experience and the fact that online purchasing is time consuming. Weber and Roehl (1999) found that people who purchase travel products online are more likely to have had online experience of 4 years or more, and trust can be built between customers and online businesses through positive experience of past transactions (Bai *et al.*, 2004; Bieger *et al.*, 2005). Website owners should, therefore, pay more attention to making customers feel comfortable and secure in completing their reservations and to increasing trust in the online environment (Chen, 2006).

Purchase decision

Depending on where consumers are located in the digital inclusion index (Minghetti and Buhalis, 2010), more customers now purchase tourism products through websites, and perceive that a website's image and usability directly affect their purchase intentions (Chiang and Jang, 2006). As such, understanding customer perceptions and their online behaviour are crucial to the development of a successful website (Benckendorff, 2006). When novice web users search for travel information, they tend to browse through multiple websites. This is often the result of starting to seek information in a generic search engine such as Google. A recommender (destination recommendation) system is of use here; this provides assistance in the social process of indicating – or receiving indications – about what options are better suited in a specific case for specific individuals (Gretzel et al., 2004). Ricci (2002) further stated that a recommender system can provide valuable information to assist in the consumer decision-making process. Furthermore, a recommender system can support travellers in a complex decision-making process by identifying better customer requirements and by correlating those with the requirements of other consumers and their preferences (Ricci and Werthner, 2002, 2006). Kaplanidou and Vogt (2006) demonstrated that website usefulness was a significant predictor of intent to travel to the destination. The motivating visuals factor was also a significant direct predictor of intentions to travel to the destination, whereas trip information functionality had an indirect influence on intentions through website usefulness.

    With rapid data transmission on the Internet, the expected response time from organizations to customers has been greatly reduced. The reaction to online inquiries can thus influence customer satisfaction and booking behaviour. As a result, response behaviour becomes an essential factor for the success of small and medium-sized tourism enterprises (Main, 2001). Understanding different consumers' online behaviour could increase the possibility of online transaction completion (Lee et al., 2007b). In view of this,

the characteristics of travellers' online purchase behaviour have been examined by tourism researchers. Among the findings were that Chinese customers were less likely to rely on hotel branding when making online reservations, focusing instead on electronic word-of-mouth (WOM) information and online security if they were more experienced Internet users (Kim et al., 2006).

Post-purchase behaviour

After travellers have returned home, they often like to share and exchange their travel experience. In this context, ICTs also provide a very effective mechanism for consumers to air complaints. In the past, fewer than 5% of customers who were dissatisfied actually voiced out their complaints (Albrecht and Zemke, 1985). In order to provide a channel for customers to leave feedback and complaints, tourism organizations should have an e-complaint handling section on their websites so that there is a proper channel of communication between management and unsatisfied customers. However, with the rapid development of the Internet, users at present can easily spread their complaints which, in turn, can significantly affect a company's image. TripAdvisor is leading the way as a review site for hotels and destinations (Au et al., 2010). Electronic WOM is a useful tool to disseminate complaints about brands via websites, chat rooms and consumer forums (Gelb and Sundaram, 2002). Shea et al. (2004) illustrated a real case 'Yours is a very bad Hotel' that made at least seven newspapers and magazines report the unpleasant experience. The influential power of the Internet, 'complaint forum' and chat room were clearly shown in this study. Moreover, in the Internet era, even individuals have sufficient power to take on powerful organizations such as airlines (Buhalis, 2004). To prevent the wide spread of e-complaints, tourism managers should locate these complaint forums and try to handle them professionally.

    In addition to the review sites, virtual communities are gradually becoming incredibly

influential in tourism as consumers increasingly trust their peers better, rather than marketing messages. The most cited definition of a virtual community was firstly given by Rheingold (1993, p. 58) who stated that 'a virtual community is a group of people who may or may not meet one another face-to-face, and who exchange words and ideas through the mediation of computer bulletin boards and networks'. A virtual travel community (VTC) makes it easier for people to obtain information, maintain connections, develop relationships, and eventually make travel-related decisions (Stepchenkova *et al.*, 2007). Vogt and Fesenmaier (1998) stated that participation and attitude are the primary dimensions of consumer behaviour in these virtual communities. Because many travellers like to share their travel experiences and recommendations with others, VTCs have become one of their favourite areas to post their travel dairies. Additionally, online travellers are enthusiastic to meet other travellers who have similar attitudes, interests and way of life (Wang *et al.*, 2002). As such, better understanding of VTC users' behaviours and motivation can assist tourism practitioners and policy makers to establish, operate and maintain VTCs in a more efficient way. This, in turn, facilitates consumer-centric marketing or relationship marketing (Niininen *et al.*, 2006). VTCs, however, may be at risk of losing members if their members are not satisfied with the content, design, security policies and repercussions of non-compliance with community rules (Allison *et al.*, 2005; Chung and Buhalis, 2008). The emergence of Web 2.0 or Travel 2.0 brings together the concept of social networking/virtual communities and applies it to the tourism industry. By analysing the content of VTCs, travel organizations can understand their customers' satisfaction and behaviours, and undertake corrective actions to improve their offerings. They can also increase brand awareness and strengthen brand association through the assistance of VTCs. However, despite the large potential impact of VTCs on the tourism industry, Preece (2000) stated that research on the topic is still at an infancy stage when compared with other geographical and physical communities.

Risk management

As payment is the most important item in eCommerce, consumers are always concerned about payment security. Such concerns are a possible outcome of computer crimes, which are one of the primary factors that prevent consumers from providing credit card information. Mills *et al.* (2002) listed several cybercrimes, such as auction fraud, vacation fraud, gaming fraud, spamming and identity theft. Business organizations must therefore pay more attention to protect themselves and their customers from losses due to cybercrimes. These crimes, however, are not likely to be completely prevented or easily detected by law enforcement alone (Mills *et al.*, 2002). Furthermore, as the travel industry gradually relies more heavily on IT, there is also an increasing concern among consumers about privacy (Brown *et al.*, 2007), although consumers do gradually accept that they will have to sacrifice privacy for better customer service. Research findings have shown that privacy issues also play a significant role in inhibiting the purchase of travel-related products online (Kolsaker *et al.*, 2004). This leads to the situation that many travellers use the Internet to search for information but still purchase offline. In order to encourage more online travel shopping, policies on customers' privacy protection in relation to IT usage should be stated explicitly.

Implications

With less time spent on waiting and planning, and more time on enjoyment, consumers have expressed their increasing interest in more convenience and choice, and in online travel shopping at home via travel websites (O'Connor and Frew, 2001). At present, there is a large increase in the number of customers who make reservations directly from hotel websites (Jeong *et al.*, 2003). Customer satisfaction depends to a great extent on the accuracy and comprehensiveness of specific tourism information and the ability of organizations to react instantly to consumer requests. Tourism organizations and destinations, therefore, need to recognize this change

and to develop personalized services to address individual needs. Personalized services driven by advanced customer relationship management (CRM) systems should record customer preferences and requirements for present and future usage (Picolli *et al.*, 2003).

Technological Innovation

Rapid technological development paradoxically means that the more powerful and complex that ICTs become, the more affordable and user friendly they become, enabling more people and organizations to take advantage of them. Strategically, constant innovation in the applications of hardware, software and network development means that only dynamic organizations, which can assess the requirements of their stakeholders and respond efficiently and effectively, will be able to outperform their competitors and maintain their long-term prosperity.

Technology emerges as an 'info-structure' of an organization that supports the entire range of internal and external communications and processes (Buhalis, 2003), and eTourism is spreading rapidly as a holistic and integrated system of networked equipment and software, which enables effective data processing and communication for tourism organizations and destinations. Aspects of this discussed below are interoperability, website design and analysis and modelling, with a brief round-up of the implications of ITC complexity and development.

Interoperability

Werthner and Klein (1999) defined interoperability as the provision of a well-defined and end-to-end service which is in a consistent and predictable way. This generally covers not merely technical features but also, in the case of electronic market environments, contractual features and a set of institutional rules. Interoperability enables partners to interact electronically with each other by the most convenient method, and to deliver the right information at the right time to the right user at the right cost. Staab and Werthner (2002) stated that interoperability is a major technical issue offering a realistic alternative to standardization. Jakkilinki *et al.* (2007) proposed an ontology-based eTourism Planner – AuSTO – that enables users to create an itinerary in one single application by using this intelligent tool that builds on semantic web technologies. Similarly, Maedche and Staab (2003) showed that semantic web technologies can be used for tourism information systems to provide useful information on text and graphics, as well as generating a semantic description that is interpretable by machines. The OntoMat-Service, introduced by Agarwal *et al.* (2003), can embed the process of web-service discovery. Travellers thus no longer need to search for information among millions of websites to obtain the desired information. To the degree that tourism organizations need to interact dynamically with partners to develop and deliver tourism products, interoperability will be critical for their ability to work efficiently with others.

Multimedia is also becoming one of key areas of development that influences tourism. Tourism information needs an extensive representation of photos and graphics in order to provide a tangible image or experience to travel planners. Unlike offline information, which is unilaterally exposed to travellers, the Web allows people from around the world to virtually interact with a destination through three-dimensional (3D) virtual tours (Cho and Fesenmaier, 2001). The experience within a computer-mediated environment can simulate real visits and virtual experience and provide almost real-life experiences. This can lead to the creation and communication of a destination image (Cho *et al.*, 2002). The result has been the adoption of 3D interactive websites by online marketers to attract online consumers, encourage online purchases and to create loyalty (Fiore *et al.*, 2005). Interactivity can be further enhanced by using multimedia. Abad *et al.* (2005) demonstrated how tourist attractions can be presented dynamically by virtual characters in real time, and how this presentation is enhanced by multimedia information about the items stored in a

database. Using the system, visitors can ask for available attractions that correspond to certain selection criteria with ranking based on the travellers' preferences. Interacting with multimedia-enhanced websites can produce telepresence and allow people to 'experience' products and destinations without actually visiting a place. Telepresence uses a range of technologies to make users feel as if they were present at a location or situation whereas, in reality, they are not (Steuer, 1992). The technique relies on how closely the computer-mediated experience simulates real-world interaction with a product and is determined by the extent to which interactivity is achieved (Fiore *et al.*, 2005).

Destinations are, by definition, amalgams of tourism products. Dynamic package assembly helps individual customers to create their own travel packages. However, owing to the non-standardized data format among the various available systems, there are difficulties with interoperability (McGrath and Abrahams, 2006; Cardoso and Lange, 2007). One of the major challenges for the wide adoption of such package assemblies, however, is the language barriers (Chen and Hsu, 2000); these barriers result in the mobile information provided not being the latest available because of delays in translation. Although the act of standardizing for different players is a seemingly impossible mission, Dell'Erba *et al.* (2005) set up a virtual interoperable network that allows data exchange through a system translation mechanism in a seamless way to show how interoperability might be achieved.

Singh and Kasavana (2005) predicted that future ICT applications will probably rely on mobile and wireless technologies. Wireless is a term used widely to describe telecommunications in which electromagnetic waves (as opposed to wire) carry a signal. ICT developments have proliferated the use of wireless applications and devices, including cellular (mobile) phones and pagers, global positioning systems (GPSs), cordless computer peripherals and telephones, and home-remote control and monitor systems. Mobile phones now have become a necessity in this era of wireless communication (Langelund, 2007). The proliferation of different mobile devices, such as personal digital assistants (PDAs) and 3G mobile phones with GPSs, enable travellers to retrieve travel-related information without any time or geographical constraints. In addition, mobile services now enable travellers to book hotel rooms, air tickets and car rentals, retrieve information about transportation schedules, obtain travel guides for destinations and dining guides (Berger *et al.*, 2003). Solon *et al.* (2004) developed TeleMorph, which can determine the mobile network bandwidth to output presentations, and receive and interpret voice questions from tourists to show destination information. This technology can prevent information delay when travellers retrieve information from low bandwidth networks. Alfaro *et al.* (2005) implemented a multimedia museum guide on PDAs; each destination in the guide had infrared emitters installed in order to enhance the tourist experience, so that when tourists approach the destination, their PDAs will automatically display a multimedia presentation of that destination.

In addition to mobile networks, wireless local area networks (WLANs) allow users to connect devices to the Internet through a wireless radio connection (WiFi), while Bluetooth connects PDAs, cell phones, computer mice and other peripherals over short distances. The next technological evolution emerging is WiMAX (Worldwide Interoperability for Microwave Access). WiMAX promotes conformance and interoperability of the IEEE 802.16 (wireless broadband) standard and provides wireless data over a long distance (Patton *et al.*, 2005). WiMAX supports the delivery of last-mile wireless broadband access as an alternative to cable and DSL (digital subscriber line, is a family of technologies that provides digital data transmission over the wires of a local telephone network). WiMAX is expected to offer the highest possible coverage, up to 30 miles (Odinma *et al.*, 2007), and provide Internet broadband wireless access to entire destinations. This will support users with Internet access while at the destination without having to pay expensive data-roaming charges. WiMAX is also predicted to have its largest impact in developed countries or in rural,

remote locations characterized by low population density in which an adequate wired infrastructure was never developed, or cannot be developed for economic reasons (WiMAX Forum, 2004). This development narrows the digital divide, favouring the transition to a new stage of information and service providers (Ohrtman, 2005). Always-on (when users are connected to the Internet constantly) connectivity creates great opportunities for interactivity at the destination and the provision of personalized, contextualized and location-based services (LBS). The four primary functions of LBS for the traveller are: (i) localization of persons, objects and places; (ii) routing between them; (iii) searching for objects in proximity, such as restaurants, shops, hotels, or sights; and (4) information about travelling conditions, such as traffic-related data (Berger et al., 2003).

Website design and analysis

Websites are incredibly important, mission-critical and cost-effective marketing tools for businesses. Good web design goes beyond technology, design and layout. It includes a wide range of content, usability, navigation and interactivity issues (Law et al., 2010). In their study on customers' weighting factors on hotel website contents, Law and Cheung (2005) found that reservation information was the most important dimension. A successful website should, therefore, take customers' interests and participation into consideration, in order to capture information about their preferences, and subsequently use that information to provide personalized communications and services (Doolin et al., 2002). Hashim et al. (2007) consolidated 25 tourism and hospitality website studies from 1996 to 2006 that covered website quality and features analysis, and generated 74 website features. Hoteliers must therefore routinely evaluate their websites in order to ensure that the sites are efficient, appropriate and useful to customers (Baloglu and Pekcan, 2006).

Related to usability is accessibility, which addresses the fact that web surfing is still a barrier for people with disabilities (Michopoulou et al., 2007). Examples of physical barriers include low-vision users who will need large text or spatial adjustment, blind people who will require screen readers, users with colour blindness who will need adequate contrast of text and background colours, and deaf people who should have visual displays rather than pure audio presentations. Han and Mills (2006) stated that current website designs have nine themes that will affect screen reading for visual-impaired users. In response, the World Wide Web Consortium has illustrated the requirements for using websites and Web-based applications, and has provided supporting information for guidelines and technical work (The World Wide Web Consortium, 2005). Hence, by exploiting this knowledge and following the web content accessibility guidelines (Chrisholm et al., 1999) from the W3C Web Accessibility Initiative (WAI), content can be presented in an accessible and customizable way, and accommodate users' needs and preferences.

Website performance can be measured in various ways, such as evaluating a website's effectiveness by using the modified balanced scorecard approach (Choi and Morrison, 2005; Law et al., 2010) or the flow experience approach (Skadberg et al., 2005). Other measurements that can be made include determining the adoption level of a website as an e-business tool through content analysis (Küster, 2006; Roney and Ozturan, 2006) and identifying the factors that affect user satisfaction by using protocol analysis (Essawy, 2006). Problematic integration theory has also been adopted to better understand online marketing activities (Han and Mills, 2006). Previous studies have compared and contrasted websites between and among different geographic areas. For instance, Law and Liang (2005) compared China-based and USA-based hotel websites using a multi-criteria decision-making approach, and found that the performance of the USA-based sites was significantly better than that of the China-based sites. Law and Cheung (2006) further selected 30 North America-based, Europe-based, and Asia-Pacific-based travel websites and analysed their online hotel reservation services. The study showed that North America-based websites performed

significantly better than websites from the other two continents in certain attributes.

In the context of website usability evaluation, four studies have found that ease of use is one of the most important determinants of perceived website quality (Cho and Agrusa, 2006; Park *et al.*, 2007). A good website should be inclusive and should cater for the needs of different types of online users, including visually impaired and disabled users (Shi, 2006; Han and Mills, 2007). The hospitality and tourism industries should be aware of the fact that people with disabilities and the elderly represent a growing market segment (Buhalis and Michopoulou, 2011). Assistive technologies such as voice browsers can provide certain assistance for these customers to access web information (Pühretmair, 2004). Waldhor *et al.* (2007), for example, implemented an automated call centre agent (RESA) for a low-budget hotel, which enables customers to use their own phones and their voices to reserve hotel rooms via RESA without the need to go through any human agents. RESA can automatically select a desired room on the basis of a customer's voiced criteria. Rumetshofer and Wöß (2004) introduced an intelligent accessibility add-on that allows users to create their own personal profiles with their special needs, and updating depends on the user's input and action over time. To attract business and provide convenience to physically challenged customers, tourism web designers should consider the needs of every group of users and design websites to address their inclusion. Moreover, web designers should also consider culture and language as factors affecting the success of a website (Kale, 2006). It is interesting to note that although Germany is the top-spending nation on international tourism, many non-European DMOs do not include a German-language version of their websites (Arlt, 2006).

Modelling

Various modelling methods have been presented for analysing tourist data. Delen and Sirakaya (2006) tested the three popular data-mining methods of artificial neural networks, decision trees and rough sets, and found that the rough sets algorithm was the best forecasting tool among the three. Similarly, Kon and Turner (2005) compared the forecasting accuracy of neural networks and the basic structural method (BSM), and confirmed that the BSM maintained a higher accuracy in forecasting tourism demand. Bloom (2005) recommended that neural network applications be used to track the changing behaviour of tourists within and between market segments. Other researchers have proposed modified neural networks for modelling tourist arrivals (Pai and Hong, 2005) and time-series forecasting (Palmer *et al.*, 2006). Similarly, Petropoulos *et al.* (2006) introduced a technical analysis system to forecast tourism demand. By using association rule mining, tourism organizations can identify different types of tourist profiling behaviour (Emel *et al.*, 2007). Wong *et al.* (2006) adopted data-mining techniques to analyse the travel patterns of Northern Taiwanese travellers and suggested that DMOs in Asian countries should promote their destinations in Taiwan. As an alternative to analysing numerical data, text mining is another good choice for analysing tourist data. Lau *et al.* (2005) demonstrated three examples of how text mining can be used as a tool for online text analysis. In addition to analysing tourist data, various researchers have proposed models to enhance the marketing effectiveness of tourism websites. For instance, Law (2005) introduced an Object-Oriented Database Marketing (OODM) model for application in Asia's hotel industry to enhance its marketing effectiveness. Likewise, Mills *et al.* (2007) introduced a Modified Interactive Tourism Advertising Model (MITAM) that could improve a website's advertising effectiveness.

The Internet, as the primary search channel for tourists, naturally contains websites in different languages. Multilingual information-searching applications can thus provide comprehensive search results for people who need to search using a keyword in one language and look for a search result in another language (Li and Law, 2007). Krieger *et al.* (2005) used Internet-enabled conjoint analysis to examine customer wants on cruise

vacations, and identified WOM information and past experience as contributing to customer perceptions and expectations.

Implications

The technical complexity of modern systems based on ICTs demands that all aspects of the innovation chain integrate their efforts. The concentration and coherence required to achieve both significant technological development and market impact necessitate engagement of both the research and business communities to integrate the rapid coevolution of technology, market, social and administrative requirements. As such, industry practitioners should apply well-developed data exchange formats to achieve better intersystem communications, and should use centralized knowledge bases for tourists to use as a one-stop channel.

With the development of ICT constantly evolving with every passing day, it is also imperative for tourism organizations and destinations to develop internal in-house IT resources and expertise to facilitate the communication between business managers and IT technicians. These professionals could collect, organize, and retrieve up-to-date and relevant technology information from the technical area and relay this information to managers.

Industry Functions

Although the literature has been dominated by applications which explain how to automate rather than how to assist organizations to evolve to the new era, the importance and necessity of ICT usage for both strategic and operational tourism management are gradually emerging in the literature (Marcussen, 1999a,b; O'Connor, 1999). Increasingly, ICTs are being used to re-engineer all business functions and processes towards supporting the organization in its entirety rather than just automating its operations. This section discusses both the strategic management of DMOs and online tourism marketing.

Strategic management

ICT developments have direct impacts on the competitiveness of enterprises because they determine the two fundamental roots of competitive advantage: differentiation and cost advantage (Porter, 2001). Hence, tourism destinations need to proactively incorporate ICTs into their efforts to improve service quality, as they enable organizations to dynamically differentiate and specialize their products and services. This almost leads to a market segment where consumers can build their tourism experience by bundling their products dynamically (Buhalis and O'Connor, 2005). Recently, Mazanec *et al.* (2007) argued that it is necessary to develop a website when the competitiveness of a tourism destination is evaluated. ICTs also become instrumental to cost management in the industry, particularly as regards distribution and promotion costs (Connolly *et al.* 1998), and redesigning processes and the elimination of repetitive tasks reduce labour costs and increased efficiency (Buhalis, 1998). All this has empowered the development of no-frills organizations that use technology heavily for operations and distribution and, at the same time, it has put incredible pressure on traditional organizations to re-engineer their operations. On several occasions, this has led to the outsourcing of functions and process to external organizations (Paraskevas and Buhalis, 2002).

The Internet is changing the structure of the tourism industry by altering barriers to entry, minimizing switching costs, revolutionizing distribution channels, and facilitating price transparency and competition, while enhancing production efficiency (Kim *et al.*, 2004). Porter (2001) demonstrated how the Internet has changed industry forces. The Internet has also enabled destinations to dynamically package their individualized products by combining different travel products (i.e. accommodation and transportation, etc.) (Daniele and Frew, 2005). Access to a greater range of available suppliers has also increased the power of destinations. Intensified rivalry has led to increased difficulty in creating and sustaining competitive advantages through differentiation strategies (Go *et al.*, 1999). Wöber (2001) suggested that the

identification of tourism destinations competing for the same market can be assisted by a Group Decision Support System (GDSS). In this way, decision makers can include their subjective and objective views for analysis as in traditional forms of competitive analysis. To conclude, the Internet forces tourism organizations around the world to change their strategies dramatically (Buhalis and Zoge, 2007). Constant innovations in both product and process supported by proactive and reactive strategies are some of the few sources of competitive advantage in the Internet era (Buhalis, 2003).

In particular for destinations, DMSs emerge as strategic tools for promotion, distribution and operations for both destinations and small and medium-sized tourist enterprises (SMTEs) (Buhalis, 1997). They can assist developing a flexible, tailor-made, specialized and integrated tourism product. By enabling users to search and select individual tourism products, DMSs can support travellers in creating their own personalized destination experiences. At the organizational level, DMSs provide the essential infostructure for DMOs to coordinate their activity and to provide sufficient information and direction to their overseas offices to promote a destination. DMSs emerge as the interfaces between destination tourism enterprises (including principals, attractions, transportation and intermediaries) and the external world (including tour operators, travel agencies and, ultimately, consumers). In some cases, such as in Britain, Singapore and Austria, DMSs have been used for integrating the entire supply at the destination. Their contribution to strategic management and marketing is demonstrated by their ability to integrate all stakeholders at destinations and also to reach a global market at a fairly affordable cost.

Online marketing

Perhaps marketing and distribution are the business functions most affected by the technological revolution (Go and Willams, 1993; O'Connor and Frew, 2002). Technology-supported organizations need to develop their knowledge base to improve their management and marketing functions (Fesenmaier *et al.*, 1999). By using the Web and the Internet as marketing tools, tourism organizations have also gained some distinct advantages in cost reduction, revenue growth, marketing research and database development, and customer retention (Morrison *et al.*, 1999). Reaching worldwide customers in a cost-effective way allows organizations to engage in a direct dialogue with consumers (Buhalis, 1998; 2003). The Internet is generally emerging as a multi-promotion tool and distribution channel (Gretzel *et al.*, 2000; O'Connor and Frew, 2004). Web marketing is therefore gradually becoming mainstream (Buhalis, 2003). Wang and Fesenmaier (2006) argued that a successful web marketing strategy requires the integration and coordination of website features, promotion techniques and customer relationship management programmes. Thus, integrating technologies with relationship marketing could help tourism organizations and destinations to maintain competitiveness and improve the management of business relationships with customers (Álvarez *et al.*, 2007).

In the pre-Internet era, tourism suppliers had no other choice but to use intermediaries, such as travel agents and tour operators, for their distribution functions. CRSs and GDSs facilitated the intermediation process (Sheldon, 1997; O'Connor, 2003). Both intermediaries and end consumers are dependent on comprehensive, accurate and timely information to aid in their travel choice because of the intangible nature of the tourism products (Poon, 1993). The Web has enabled organizations to distribute their products not only through direct distribution but also through a very wide range of channels (O'Connor and Frew, 2002). Third-party intermediaries include online travel agencies as well as meta search engines, all of which are able to distribute both static and dynamic information, such as availability and pricing. Electronic intermediaries are also emerging dynamically, and increasingly challenge traditional distributors. For example, Expedia and Lastminute.com are now challenging the business models of Thomson and Thomas Cook, forcing them to rethink their operations and

strategies. Auction sites such as eBay.com, price-comparison sites such as Kelkoo and Kayak.com, price-reversing sites such as Priceline.com, and price-prediction sites such as farecast.com also provide a great challenge for the pricing of both suppliers and intermediaries. In addition, Web 2.0 or Travel 2.0 providers such as TripAdvisor.com, IGOUGO. com and Wayn.com enable consumers to interact and offer peer-to-peer advice. These changes all force all tourism players to rethink their business models and to take drastic actions in redeveloping their value chains. Tourism organizations aim to disintermediate all intermediaries that add cost to their production and distribution. For example, tour operators aim to sell their packages directly, thus bypassing travel agencies. They also disbundle their packages and sell individual components.

At the same time as tour operators are implementing these changes, travel agencies are dynamically packaging tour products and supporting the development of customized packages, thus disintermediating tour operators. The web has therefore introduced utter transparency into the marketplace (Buhalis, 2003; O'Connor, 2003), so that organizations have had to reinforce their brands online and offline and to justify their positioning and pricing strategies. At the time of a very volatile environment in the marketplace, tourism intermediaries have also been forced to readdress both their revenue and cost bases as well as to re-evaluate all partnerships and value chains. Bennett and Lai (2005) identified two principal ways for travel agents to overcome disintermediation, namely repositioning themselves as travel consultants and becoming more technologically oriented. Some travel agencies have formed strategic alliances to strengthen their competitive advantages in the era of Internet (Huang, 2006).

The Internet has transformed the distribution function to an electronic marketplace, where access to information and ubiquity is achieved, while interactivity between principals and consumers provides major opportunities. The Internet promotes the mass customization of tourism products as it supports the industry to target niche markets of significant size in different geographical locations. Hence, the Internet propels the re-engineering of the entire process of producing and delivering tourism products, as well as boosting interactivity among partners that can design specialized products and promotions in order to maximize the value added provided to individual consumers (Buhalis, 1998, 2003). Ultimately, ICT tools reinvent the packaging of tourism to a much more individual-focused activity, offering great opportunities for both principals and intermediaries, and enhancing the total quality (fitness to purpose) of the final product (Buhalis, 1998).

Conclusions

The technological revolution experienced through the development of the Internet has dramatically changed the market conditions for tourism organizations and destinations. ICTs support interactivity among tourism enterprises and consumers and, as a result, they re-engineer the entire process of developing, managing and marketing tourism products and destinations. Increasingly the impacts of ICTs are becoming clearer, as networking, dynamic interfaces with consumers and partners, and the ability to redevelop the tourism product proactively and reactively are critical for the competitiveness of tourism organizations and destinations.

Increasingly, ICTs will provide the 'infostructure' for the entire industry and will overtake all mechanistic aspects of tourism transactions. It is evident, however, that the future of eTourism will be focused on consumer-centric technologies that will support organizations in interacting with their customers dynamically. Consumers are becoming incredibly powerful and are increasingly able to determine elements of their tourism products. They are also much more sophisticated and experienced and, therefore, are much more difficult to please. Innovative tourism enterprises and destinations will have the ability to divert resources and expertise to servicing consumers and provide higher value-added transactions. The development of new and more powerful ICT

applications empowers both suppliers and destinations to enhance their efficiency and to re-engineer their communications strategies. Innovative technologies will support interoperability, personalization and constant networking. Hence, agile strategies are required at both strategic and tactical management levels to ensure that the ICT-driven opportunities and challenges are turned to the advantage of tourism organizations in enhancing their innovation and competitiveness.

Destinations that embrace advanced ICTs and DMSs, in particular, will be able to improve their strategic positioning, improve their competitiveness and optimize their benefits from tourism. To succeed in the future, DMSs will need to combine both technological and management innovation and to develop suitable tools for satisfying the entire range of stakeholders. ICTs and DMSs, then, emerge as essential tools for both tourism demand and supply, as they establish a flexible and profitable communication bridge and a strategic management tool. They effectively provide the info-structure at destination level and can network the entire range of principals and operators on a neural network.

Acknowledgement

References

Abad, M., Sorzabal, A.A. and Linaza, M.T. (2005) NOMENCLATOR-innovative multilingual environment for collaborative applications for tourists and cultural organizations. In: Frew, A.J. (ed.) *Information and Communication Technologies in Tourism 2005*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2005. Springer Computer Science, Springer Wien New York, Austria, pp. 79–89.

Agarwal, S., Handschuh, S. and Staab, S. (2003) Surfing the service web. In: Fensel, D., Sycara, K.P. and Mylopoulos, J. (eds): *Proceedings, The Semantic Web – ISWC 2003, Second International Semantic Web Conference*, Sanibel Island, Florida, 20–23 October 2003. *Lecture Notes in Computer Science (LNCS),Volume 2870*. Springer-Verlag, Berlin, pp. 211–226.

Albrecht, K. and Zemke, R. (1985) *Service America! Doing Business in the New Economy*. Dow Jones-Irwin, Homewood, Illinois.

Alfaro, I., Nardon, M., Pianesi, F., Stock, O. and Zancanaro, M. (2005) Using cinematic techniques on mobile devices for cultural tourism. *Information Technology and Tourism* 7, 61–71.

Allison, A., Currall, J., Moss, M. and Stuart, S. (2005) Digital identity matters. *Journal of the American Society for Information Science and Technology* 56, 364–372.

Álvarez, L.S., Martín, A.M.D. and Casielles, R.V. (2007) Relationship marketing and information and communication technologies: analysis of retail travel agencies. *Journal of Travel Research* 45, 453–463.

Arlt, W.G. (2006) Not very willkommen: the Internet as a marketing tool for attracting German-speaking tourists to non-European destinations. *Information Technology and Tourism* 8, 227–238.

Au, N., Law, R. and Buhalis, D. (2010) The impact of culture on eComplaints: evidence from Chinese consumers in hospitality organisations. In: Gretzel, U., Law, R. and Fuchs M. (eds) *ENTER 2010 Proceedings*. Springer-Verlag, Vienna/New York, pp. 285–296.

Bai, B., Hu, C., Elsworth, J. and Countryman, C. (2004) Online travel planning and college students: the spring break experience. *Journal of Travel and Tourism Marketing* 17, 79–91.

Bakos, J.Y. (1997) Reducing buyer search costs: implications for electronic marketplaces. *Management Science* 43, 1676–1692.

Bakos, J.Y. (1998) The emerging role of electronic marketplaces on the Internet. *Communications of the ACM* 41(8), 35–42.

Baloglu, S. and Pekcan, Y.A. (2006) The website design and Internet site marketing practices of upscale and luxury hotels in Turkey. *Tourism Management* 27, 171–176.

Beldona, S., Morrison, A.M. and O'Leary, J. (2005) Online shopping motivations and pleasure travel products: a correspondence analysis. *Tourism Management* 26, 561–570.

Benckendorff, P. (2006) An exploratory analysis of traveler preferences for airline website content. *Information Technology and Tourism* 8, 149–159.

Bennett, M.M. and Lai, C.K. (2005) The impact of the Internet on travel agencies in Taiwan. *Tourism and Hospitality Research* 6, 8–23.

Berger, S., Lehmann, H. and Lehner, F. (2003) Location-based services in the tourist industry. *Information Technology and Tourism* 5, 243–256.

Beritelli, P., Bieger, T. and Laesser, C. (2007) The impact of the Internet on information sources portfolios: insight from a mature market. *Journal of Travel and Tourism Marketing* 22, 63–80.

Bieger, T., Beritelli, P., Weinert, R. and Wittmer, A. (2005) Building trust and identity on the Web – new IT transaction platforms to overcome psychological barriers to rent. In: Frew, A. (ed.) *Information and Communication Technologies in Tourism 2005*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2005. Springer Computer Science, Springer Wien New York, pp. 296–305.

Bloom, J.Z. (2005) Market segmentation: a neural network application. *Annals of Tourism Research* 32, 93–111.

Brown, M.R., Muchira, R. and Gottlieb, U. (2007) Privacy concerns and the purchasing of travel services online. *Information Technology and Tourism* 9, 15–25.

Buhalis, D. (1997) Information technologies as a strategic tool for economic, cultural and environmental benefits enhancement of tourism at destination regions. *Progress in Tourism and Hospitality Research* 3, 71–93.

Buhalis, D. (1998) Strategic use of information technologies in the tourism industry. *Tourism Management* 19, 409–421.

Buhalis, D. (2003) *eTourism: Information Technology for Strategic Tourism Management*. Financial Times/ Prentice Hall, New York.

Buhalis, D. (2004) eAirlines: strategic and tactical use of ICTs in the airline industry. *Information and Management* 41, 805–825.

Buhalis, D. and Michopoulou, E. (2011) Information-enabled tourism destination marketing: addressing the accessibility market. *Current Issues in Tourism* 14, 145–168.

Buhalis, D. and O'Connor, P. (2005) Information communication technology – revolutionising tourism. *Tourism Recreation Research* 30(3), 7–16.

Buhalis, D. and Spada, A. (2000) Destination management systems: criteria for success. *Information Technology and Tourism* 3, 41–58.

Buhalis, D. and Zoge, M. (2007) The strategic impact of the Internet on the tourism industry. In: Sigala, M., Mich, L. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2007*. ENTER: Proceedings of the International Conference in Ljubljana, Slovenia, 2007. Springer Computer Science, Springer Wien New York, Austria, pp. 481–492.

Cardoso, J. and Lange, C. (2007) A framework for assessing strategies and technologies for dynamic packaging applications in e-Tourism. *Information Technology and Tourism* 9, 27–44.

Chen, C. (2006) Identifying significant factors influencing consumer trust in an online travel site. *Information Technology and Tourism* 8, 197–214.

Chen, J.S. and Hsu, C.H.C. (2000) Measurement of Korean tourists' perceived images of overseas destinations. *Journal of Travel Research* 38, 411–416.

Chiang, C. and Jang, S.C. (2006) The effects of perceived price and brand image on value and purchase intention: leisure travelers' attitudes toward online hotel booking. *Journal of Hospitality and Leisure Marketing* 15(3), 49–69.

Cho, Y.C. and Agrusa, J. (2006) Assessing use acceptance and satisfaction toward online travel agencies. *Information Technology and Tourism* 8, 179–195.

Cho, Y.-H. and Fesenmaier, D.R. (2001) A new paradigm for tourism and electronic commerce: experience marketing using the virtual tour. In: Buhalis, D. and Laws, E. (eds), *Tourism Distribution Channels: Practices, Issues and Transformation*. Continuum, New York, pp. 351–370.

Cho, Y.-H., Wang, Y. and Fesenmaier, D.R. (2002) Searching for experiences: the web-based virtual tour in tourism marketing. *Journal of Travel and Tourism Marketing* 12(4), 1–17.

Choi, S. and Morrison, A.M. (2005) Website effectiveness for bricks and mortar travel retailers. *Anatolia* 16, 63–78.

Chrisholm, W., Vanderheiden, G. and Jacobs, I. (1999) *Web Content Accessibility Guidelines 1.0. W3C Recommendation 5-May-1999*. Available at: http://www.w3c.org/TR/WCAG10/ (accessed 22 March 2011).

Chung, J. and Buhalis, D. (2008) A study of online travel community: factors affecting participation and attitude. In: O'Connor, P., Hopken, W. and Gretzel, U. (eds) *ENTER 2008 Proceedings*. Springer-Verlag, Vienna/New York, pp. 267–278.

Clemons, E.K., Hann, I.-H. and Hitt, L.M. (2002) Price dispersion and differentiation in online travel: an empirical investigation. *Management Science* 48, 534–549.

Connolly, D., Olsen, M. and Moore, R. (1998) The Internet as a distribution channel. *Cornell Hotel and Restaurant Administration Quarterly* 39(4), 42–54.

Daniele, R. and Frew, A. (2005) Using concept maps to examine business models and drivers of competitive advantage for travel eMediaries. In: Frew, A. (ed.) *Information and Communication Technologies in Tourism 2005*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2005. Springer Computer Science, Springer Wien New York, pp. 497–507.

Delen, D. and Sirakaya, E. (2006) Determining the efficacy of data-mining methods in predicting gaming ballot outcomes. *Journal of Hospitality and Tourism Research* 30, 313–332.

Dell'Erba, M., Fodor, O., Höpken, W. and Werthner, H. (2005) Exploiting semantic web technologies for harmonizing e-markets. *Information Technology and Tourism* 7, 201–219.

Doolin, B., Burgess, L. and Cooper, J. (2002) Evaluating the use of the web for tourism marketing: a case study from New Zealand. *Tourism Management* 23, 557–561.

eBusiness W@tch (2006) *ICT and e-Business in the Tourism Industry: ICT Adoption and e-Business Activity in 2006. Sector Report No. 8/2006*. Available at: http://www.ebusiness-watch.org/studies/sectors/tourism/documents/Tourism_2006.pdf (accessed 22 March 2011).

Emel, G.G., Taşkin, Ç. and Akat, Ö. (2007) Profiling a domestic tourism market by means of association rule mining. *Anatolia* 18, 335–343.

Essawy, M. (2006) Testing the usability of hotel websites: the springboard for customer relationship building. *Information Technology and Tourism* 8, 47–70.

Fesenmaier, D.R., Leppers, A.W. and O'Leary, J.T. (1999) Developing a knowledge-based tourism marketing information system. *Information Technology and Tourism* 2, 31–44.

Fiore, A.M., Kim, J. and Lee, H. (2005) Effect of image interactivity technology on consumer responses toward the online retailer. *Journal of Interactive Marketing* 19(3), 38–53.

Fodness, D. and Murray, B. (1997) Tourist information search. *Annals of Tourism Research* 24, 503–523.

Gelb, B.D. and Sundaram, S. (2002) Adapting to "word of mouse". *Business Horizons* 45(4), 15–20.

Go, F.M. and Williams, A.P. (1993) Competing and co-operating in the changing tourism channel system. *Journal of Travel and Tourism Marketing* 2, 229–248.

Go, F.M., Govers, P. and van den Heuvel, M. (1999) Towards interactive tourism: capitalizing on virtual and physical value chains. In: Buhalis, D. and Schertler, W. (eds) *Information and Communication Technologies in Tourism 1999*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 1999. Springer Computer Science, Springer Wien New York, Austria, pp. 12–24.

Gretzel, U., Yuan, Y.L. and Fesenmaier, D.R. (2000) Preparing for the new economy: advertising strategies and changes in destination marketing organizations. *Journal of Travel Research* 39, 146–156.

Gretzel, U., Mitsche, N., Hwang, Y.H. and Fesenmaier, D. (2004) Tell me who you are and I will tell you where to go – use of travel personalities in destination recommendation systems. *Information Technology and Tourism* 7, 3–12.

Gursoy, D. and McCleary, K. (2004) An integrative model of tourists' information search behavior. *Annals of Tourism Research* 31, 353–373.

Hallab, Z. and Gursoy, D. (2006) U.S. travelers' healthy-living attitudes' impacts on their travel information environment. *Journal of Hospitality and Leisure Marketing* 14(2), 5–21.

Han, J-H. and Mills, J. (2006) The mutual designing of travel websites: perceptions of the visually impaired. In: Hitz, M., Sigala, M. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2006*. ENTER: Proceedings of the International Conference in Lausanne, Switzerland, 2006. Springer-ComputerScience, Springer Wien New York, Austria, pp. 47–157.

Han, J.-H. and Mills, J. (2007) Are travel websites meeting the needs of the visually impaired? *Information Technology and Tourism* 9, 99–113.

Hashim, N.H., Murphy, J. and Law, R. (2007) A review of hospitality website design frameworks. In: Sigala, M., Mich, L. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2007*.

ENTER: Proceedings of the International Conference in Ljubljana, Slovenia, 2007. Springer Computer Science, SpringerWien New York, Austria, pp. 219–230.

Ho, C. and Liu, Y. (2005) An exploratory investigation of Web-based tourist information search behavior. *Asia Pacific Journal of Tourism Research* 10, 351–360.

Huang, L. (2006) Building up a B2B e-commerce strategic alliance model under an uncertain environment for Taiwan's travel agencies. *Tourism Management* 27, 1308–1320.

Inversini, A., Cantoni, L. and Buhalis, D. (2010) Destinations information competitors and Web reputation. *Information Technology and Tourism* 11, 221–234.

Jakkilinki, R., Georgievski, M. and Sharda, N. (2007) Connecting destinations with an ontology-based e-tourism planner. In: Sigala, M., Mich, L. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2007*. ENTER: Proceedings of the International Conference in Ljubljana, Slovenia, 2007. Springer Computer Science, SpringerWien New York, Austria, pp. 21–32.

Jeong, M., Oh, H. and Gregoire, M. (2003) Conceptualizing web site quality and its consequences in the lodging industry. *International Journal of Hospitality Management* 22, 161–175.

Kale, S.H. (2006) Designing culturally compatible Internet gaming sites. *UNLV Gaming Research and Review Journal*, 10(1), 41–50.

Kaplanidou, K. and Vogt, C. (2006) A structural analysis of destination travel intentions as a function of web site features. *Journal of Travel Research* 45, 204–216.

Kim, E., Nam, D. and Stimpert, J.L. (2004) The applicability of Porter's generic strategies in the digital age: assumptions, conjectures and suggestions. *Journal of Management* 30, 569–589.

Kim, W.G., Ma, X. and Kim, D.J. (2006) Determinants of Chinese hotel customers' e-satisfaction and purchase intentions. *Tourism Management* 27, 890–900.

Klein, S. (2002) Web impact on the distribution structure for flight tickets. In: Wöber, K.W., Frew, A.J. and Hitz, M. (eds) *Information and Communication Technologies in Tourism 2002*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2002. Springer Computer Science, SpringerWien New York, Austria, pp. 219–228.

Kolsaker, A., Lee-Kelley, L. and Choy, P.C. (2004) The reluctant Hong Kong consumer: purchasing travel online. *International Journal of Consumer Studies* 28, 295–304.

Kon, S. and Turner, L.W. (2005) Neural network forecasting of tourism demand. *Tourism Economics* 11, 301–328.

Kotler, P., Bowen, J. and Makens, J. (1999) *Marketing for Hospitality and Tourism*, 2nd edn. Prentice Hall, Upper Saddle River, New Jersey.

Kozak, N. (2007) External information search behavior of visitors to Turkey. *International Journal of Hospitality and Tourism Administration* 8(3), 17–33.

Krieger, B., Moskowitz, H. and Rabino, S. (2005) What customers want from a cruise vacation: using Internet-enabled conjoint analysis to understand the customer's mind. *Journal of Hospitality and Leisure Marketing*, 13(1), 83–111.

Küster, I. (2006) Relational content of travel and tourism websites. *Asia Pacific Journal of Tourism Research* 11, 119–133.

Langelund, S. (2007) Mobile travel. *Tourism and Hospitality Research* 7, 284–286.

Lau, K., Lee, K. and Ho, Y. (2005) Text mining for the hotel industry. *Cornell Hotel and Restaurant Administration Quarterly* 46, 344–362.

Law, R. (2005) Hotel database marketing in Asia: towards an object-oriented approach. *Journal of Travel and Tourism Marketing* 18, 59–66.

Law, R. and Cheung, C. (2005) Weighing of hotel website dimensions and attributes. In: Frew, A.J. (ed.) *Information and Communication Technologies in Tourism 2005*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2005. Springer Computer Science, SpringerWien New York, pp. 327–334.

Law, R. and Cheung, A. (2006) A study of online hotel reservations on Asia Pacific-based, European-based, and North American-based travel websites. *FIU Hospitality Review* 24(1), 32–41.

Law, R. and Huang, T. (2006) How do travelers find their travel and hotel websites? *Asia Pacific Journal of Tourism Research* 11, 239–246.

Law, R. and Jogaratnam, G. (2005) A study of hotel information technology applications. *International Journal of Contemporary Hospitality Management* 17, 170–180.

Law, R. and Liang, K. (2005) A multi-criteria decision-making approach to compare and contrast the websites of China-based and U.S.-based hotels. *FIU Hospitality Review* 23(1), 64–82.

Law, R., Chan, I. and Goh, C. (2007) Where to find the lowest hotel room rates on the Internet? The case of Hong Kong. *International Journal of Contemporary Hospitality Management* 19, 495–506.

Law, R., Qi, S. and Buhalis, D. (2010) A review of website evaluation in tourism research. *Tourism Management* 1, 297–313.

Lee, J., Soutar, G. and Daly, T. (2007a) Tourists' search for different types of information: a cross-national study. *Information Technology and Tourism* 9, 165–176.

Lee, H.Y., Qu, H. and Kim, Y.S. (2007b) A study of the impact of personal innovativeness on online travel shopping behavior – a case study of Korean travelers. *Tourism Management* 28, 886–897.

Lehto, X.Y., Kim, D. and Morrison, A.M. (2006) The effect of prior destination experience on online information search behavior. *Tourism and Hospitality Research* 6, 160–178.

Li, K.W. and Law, R. (2007) A novel English/Chinese information retrieval approach in hotel website searching. *Tourism Management* 28, 777–787.

Lin, L. (2005) Internet as a distribution channel of travel information: a case study. *Consortium Journal of Hospitality and Tourism* 9(2), 49–57.

Lin, Y., Wu, C. and Chano, J. (2006) Destination image and visit intention among members of Yahoo! – Taiwan's travel communities: an online survey approach. *Tourism Analysis* 11, 61–69.

Litvin, S.W., Blose, J.E. and Laird, S.T. (2005) Tourists' use of restaurant webpages: is the Internet a critical marketing tool? *Journal of Vacation Marketing* 11, 155–161.

Luo, M., Feng, R and Cai, L.A. (2004) Information search behavior and tourist characteristics: the Internet vis-à-vis other information sources. *Journal of Travel and Tourism Marketing* 17(2), 15–25.

Maedche, A. and Staab, S. (2003) Services on the move: towards P2P-enabled semantic Web services. In: Frew, A., O'Connor, P. and Hitz, M. (eds) *Information and Communication Technologies in Tourism 2003*. ENTER: Proceedings of the International Conference in Helsinki, Finland, 2003. Springer Computer Science, SpringerWien New York, Austria, pp. 124–133.

Main, H. (2001) The expansion of technology in small and medium hospitality enterprises with a focus on net technology. *Information Technology and Tourism* 4, 167–174.

Marcussen, C. (1999a) *Internet Distribution of European Travel and Tourism Services*. Research Centre of Bornholm, Bornholm, Denmark.

Marcussen, C. (1999b) The effects of Internet distribution of travel and tourism services on the marketing mix: no-frills, fair fares and fare wars in the air. *Information Technology and Tourism* 2, 197–212.

Mazanec, J.A., Wöber, K.W. and Zins, A.H. (2007) Tourism destination competitiveness: from definition to explanation? *Journal of Travel Research* 46, 86–95.

McGrath, G.M. and Abrahams, B. (2006) Ontology-based website generation and utilization for tourism services. *Information Technology in Hospitality* 4, 93–106.

Michopoulou, E., Buhalis, D., Michailidis, S. and Ambrose, I. (2007) Destination management systems: technical challenges in developing an etourism platform for accessible tourism in Europe. In: Sigala, M., Mich, L. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2007*. ENTER: Proceedings of the International Conference in Ljubljana, Slovenia, 2007. Springer Computer Science, SpringerWien New York, Austria, pp. 301–310.

Mills, J. and Law, R. (2004) *Handbook of Consumer Behavior, Tourism and the Internet*. Haworth Hospitality Press, Binghamton, New York.

Mills, J.E., Ismail, J.A., Werner, W.B. and Hackshaw, K. (2002) Cyber crimes and the travel and tourism consumer. In: Wöber, K.W., Frew, A.J. and Hitz, M. (eds) *Information and Communication Technologies in Tourism* 2002. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2002. Springer Computer Science, SpringerWien New York, Austria, pp. 197–206.

Mills, J.E., Lee, J.K. and Douglas, A.C. (2007) Exploring perceptions of US state tourism organizations' Web advertising effectiveness. *Asia Pacific Journal of Tourism Research* 12, 245–266.

Minghetti, V. and Buhalis, D. (2010) Digital divide in tourism. *Journal of Travel Research* 49, 267–281.

Morrison, A.M., Taylor, J.S., Morrison A.J. and Morrison, A.D. (1999) Marketing small hotels on the World Wide Web. *Information Technology and Tourism* 2, 97–113.

Morrison, A.M., Jing, S., O'Leary, J.T. and Lipping, A.C. (2001) Predicting usage of the Internet for travel bookings: an exploratory study. *Information Technology and Tourism* 4, 15–30.

Niininen, O., March, R. and Buhalis, D. (2006) Consumer centric tourism marketing. In: Buhalis, D. and Costa, C. (eds) *Tourism Management Dynamics: Trends, Management and Tools*. Elsevier Buttterworth Heinemann, Oxford, pp. 175–186.

Niininen, O., Buhalis, D. and March, R. (2007) Customer empowerment in tourism through consumer centric marketing (CCM). *Qualitative Market Research* 10, 265–282.

O'Connor, P. (1999) *Electronic Information Distribution in Tourism and Hospitality*. CAB International, Wallingford, UK.

O'Connor, P. (2003) Room rates on the Internet – is the Web really cheaper? *Journal of Service Research* 1(1), 57–72.

O'Connor, P. and Frew, A. (2001) Expert perceptions on the future on hotel electronic distribution channels. In: Sheldon, P.J., Wöber, K.W. and Fesenmaier, D.R. (eds) *Information and Communication Technologies in Tourism 2001*. ENTER: Proceedings of the International Conference in Montreal, Canada, 2001. Springer Computer Science, Springer Wien New York, Austria, pp. 346–357.

O'Connor, P. and Frew, A. (2002) The future of hotel electronic distribution: expert and industry perspectives. *Cornell Hotel and Restaurant Administration Quarterly* 43(3), 33–45.

O'Connor, P. and Frew, A.J. (2004) An evaluation methodology for hotel electronic channels of distribution. *International Journal of Hospitality Management* 23, 179–199.

Odinma, A.C., Oborkhale, L.I. and Kah, M.M.O. (2007) The trends in broadband wireless network technologies. *Pacific Journal of Science and Technology* 8(1), 118–125.

Ohrtman, F. (2005) *WiMAX Handbook: Building 802.16 Wireless Networks*. McGraw-Hill, New York.

Oorni, A. and Klein, S. (2003) Electronic travel markets: elusive effects on consumer behavior. In: Frew, A.J., Hitz, M. and O'Connor, P. (eds) *Information and Communication Technologies in Tourism 2003*. ENTER: Proceedings of the International Conference in Helsinki, Finland, 2003. Springer Computer Science, Springer Wien New York, Austria, pp. 29–38.

Pai, P. and Hong, W. (2005) An improved neural network model in forecasting arrivals. *Annals of Tourism Research* 32, 1138–1141.

Palmer, A., José Montaño, J. and Sesé, A. (2006) Designing an artificial neural network for forecasting tourism time series. *Tourism Management* 27, 781–790.

Pan, B. and Fesenmaier, D.R. (2006) Online information search: vacation planning process. *Annals of Tourism Research* 33, 809–832.

Pan, B., Litvin, S.W. and O'Donnell, T.E. (2007) Understanding accommodation search query formulation: the first step in putting "heads in beds". *Journal of Vacation Marketing* 13, 371–381.

Paraskevas, A. and Buhalis, D. (2002) Web-enabled ICT outsourcing for small hotels: opportunities and challenges. *Cornell Hotel and Restaurant Administration Quarterly* 43(2), 27–39.

Park, Y.A., Gretzel, U. and Sirakaya-Turk, E. (2007) Measuring Web site quality for online travel agencies. *Journal of Travel and Tourism Marketing* 23, 15–30.

Patton, B.K., Aukerman, R. and Shorter, J.D. (2005) Wireless technologies, wireless fidelity (WI-FI) & worldwide interoperability for microwave access (WiMax). *Issues in Information Systems* 6, 364–370.

Petropoulos, C., Nikolopoulos, K., Patelis, A., Assimakopoulos, V. and Askounis, D. (2006) Tourism technical analysis system. *Tourism Economics* 12, 543–563.

Picolli, G., O'Connor, P., Capaccioli, C. and Alvarez, R. (2003) Customer relationship management – a driver for change in the structure of the US lodging industry. *Cornell Hotel and Restaurant Administration Quarterly* 44(4), 61–73.

Poon, A. (1993) *Tourism, Technology and Competitive Strategies*. CAB International, Wallingford, UK.

Porter, M. (2001) Strategy and the Internet. *Harvard Business Review* 79(3), 63–78.

Preece, J. (2000) *Online Communities: Designing Usability, Supporting Sociability*. John Wiley, New York.

Pühretmair, F. (2004) It's time to make eTourism accessible. In: Miesenberger, K., Klaus, J., Zagler, W. and Burger, D. (eds) *Computers Helping People with Special Needs*. Springer Verlag, New York, pp. 272–279.

Rheingold, H. (1993) *The Virtual Community: Homesteading on the Electronic Frontier*. Addison-Wesley, Reading, Massachusetts.

Ricci, F. (2002) Travel recommender systems. *IEEE Intelligent Systems* 17, 53–55.

Ricci, F. and Werthner, H. (2002) Case base querying for travel planning recommendation. *Information Technology and Tourism* 3, 215–226.

Ricci, F. and Werthner, H. (2006) Recommender systems. *International Journal of Electronic Commerce* 11(2), 5–9.

Roney, S.A. and Özturan, M. (2006) A content analysis of the web sites of Turkish travel agencies. *Anatolia* 17, 43–54.

Rumetshofer, H. and Wöß, W. (2004) Tourism information systems promoting barrier-free tourism for people with disabilities. In: Klaus, J., Miesenberger, K., Zagler, W.L. and Burger, D. (eds) *Proceedings, Computers Helping People with Special Needs, 9th International Conference, ICCHP 2004, Paris, France, 7–9 July 2004. Lecture Notes in Computer Science Volume 3118*. Springer-Verlag, Berlin, pp. 280–286.

Shea, L., Enghagen, L. and Khullar, A. (2004) Internet diffusion of an e-complaint: a content analysis of unsolicited responses. *Journal of Travel and Tourism Marketing* 17, 105–116.

Sheldon, P. (1997) *Tourism Information Technologies*. CAB International, Wallingford, UK.

Shi, Y. (2006) The accessibility of Queensland visitor information centres' websites. *Tourism Management* 27, 829–841.

Singh, A.J. and Kasavana, M.L. (2005) The impact of information technology on future management of lodging operations: a Delphi study to predict key technological events in 2007 and 2027. *Tourism and Hospitality Research* 6, 24–37.

Skadberg, Y.X., Skadberg, A.N. and Kimmel, J.R. (2005) Flow experience and its impact on the effectiveness of a tourism website. *Information Technology and Tourism* 7, 147–156.

Snepenger, D., Meged, K., Snelling, M. and Worrall, K. (1990) Information search strategies by information-naive tourists. *Journal of Travel Research* 29(1), 13–16.

Solon, A., McKevitt, P. and Curran, K. (2004) TeleMorph: bandwidth-determined mobile multimodal presentation. *Information Technology and Tourism* 7, 33–47.

Staab, S. and Werthner, H. (2002) Intelligent systems for tourism. *IEEE Intelligent Systems* 17, 53–55.

Stepchenkova, S., Mills, J.E. and Jiang, H. (2007) Virtual travel communities: self-reported experiences and satisfaction. In: Sigala, M., Mich, L. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2007*. ENTER: Proceedings of the International Conference in Ljubljana, Slovenia, 2007. Springer Computer Science, Springer Wien New York, Austria, pp. 163–174.

Steuer, J. (1992) Defining virtual reality: dimensions determining telepresence. *Journal of Communication* 42(4), 73–93.

The World Wide Web Consortium (2005) *How People with Disabilities Use the Web: Working-Group Internal Draft, 5 May 2005*. Available at: http://www.w3.org/WAI/EO/Drafts/PWD-Use-Web (accessed 22 March 2011).

Vogt, C.A. and Fesenmaier, D.R. (1998) Expanding the functional information search model. *Annals of Tourism Research* 25, 551–578.

Waldhor, K., Freidl, C., Fessler, F. and Starha, G. (2007) RESA – an automated speech based hotel room booking call center agent. In: Sigala, M., Mich, L. and Murphy, J. (eds) *Information and Communication Technologies in Tourism 2007*. ENTER: Proceedings of the International Conference in Ljubljana, Slovenia, 2007. Springer Computer Science, Springer Wien New York, Austria, pp. 1–10.

Wang, Y.C. and Fesenmaier, D.R. (2006) Identifying the success factors of Web-based marketing strategy: an investigation of convention and visitors bureaus in the United States. *Journal of Travel Research* 44, 239–249.

Wang, Y., Yu, Q. and Fesenmaier, R.D. (2002) Defining the virtual tourist community: implications for tourism marketing. *Tourism Management* 23, 407–417.

Weber, K. and Roehl, W.S. (1999) Profiling people searching for and purchasing travel products on the World Wide Web. *Journal of Travel Research* 37, 291–298.

Werthner, H. and Klein, S. (1999) *Information Technology and Tourism – A Challenging Relationship*. Springer-Verlag, Vienna, Austria.

WiMAX Forum (2004) *Regulatory Position and Goals of the WiMAX Forum, Version August 09, 2004*. Available at: http://www.wimaxforum.org/technology/downloads/WiMAX_Forum_Regulatory_Whitepaper_v08092004.pdf (accessed 22 March 2011).

Wöber, K.W. (2001) Identifying competing tourism destinations using a group decision support system. In: Sheldon, P., Wober, K.W. and D.R. Fesenmaier (eds) *Information and Communication Technologies 2001*. Springer-Verlag, Vienna/New York, pp. 1–12.

Wolfe, K., Hsu, C.H.C. and Kang, S.K. (2004) Buyer characteristics among users of various travel intermediaries. *Journal of Travel and Tourism Marketing* 17, 51–62.

Wong, J., Chen, H., Chung, P. and Kao, N. (2006) Identifying valuable travelers and their next foreign destination by the application of data mining techniques. *Asia Pacific Journal of Tourism Research* 11, 355–373.

WTO (2001) *eBusiness for Tourism: Practical Guidelines for Destinations and Businesses*. World Tourism Organization, Madrid.

UNWTO (2008) *Handbook on eMarketing: A Practical Guide for Tourism Destinations*. United Nations World Tourism Organization, Madrid.

Zins, A.H. (2007) Exploring travel information search behavior beyond common frontiers. *Information Technology and Tourism* 9, 149–164.

14 Web 2.0, the Online Community and Destination Marketing

Peter O'Connor, Youcheng Wang and Xu Li

_____

Introduction

Just as the growth in the use of the World Wide Web in the mid 1990s had important implications for commerce, the revolution currently in progress in the online environment, dubbed Web 2.0, is forecast to have similar effects. The Web is evolving from a push marketing medium to one where the peer-to-peer generation and sharing of data are the norm. Collaboration between individuals has come to the fore in a manner unimaginable in the past, making it more and more difficult for marketers to craft sales messages and position them in front of consumers.

In particular what has become known as *user generated content* – content created by consumers for use by their peers (Milan, 2007) – has gained much credibility in the eyes of the consumer as a relevant and unbiased input into their decision making process (Sweeney *et al.*, 2008). As a result, consumers now have access to a vast pool of high-quality, topical, unbiased information, generated not by commercial interests but by other consumers just like them, to help in their decision-making processes. Given the importance of information in the travel distribution process, this change has important implications. Destinations have only recently fully embraced the Web as a marketing medium and a selling mechanism, they must now

adapt to its evolving characteristics. This chapter examines the developing Web 2.0 phenomenon, assessing its implications for destination sales and marketing. Initially, the importance of information for travel is examined. How these information needs have been satisfied in the past (and, it must be said, continue to be satisfied in parallel with the Web 2.0 developments discussed here) is critiqued, and the effect of Web 2.0 – and in particular the virtual community – is discussed. A conceptual model for the definition of virtual community as one form of social media is introduced followed by discussion of member participation in and active contribution to such virtual tourist community. Lastly, the implications of Web 2.0 and social media developments for the future of destination distribution are discussed.

The Importance of Information in Tourism Distribution

Information has often been called the 'lifeblood' of the travel sector, because in practically no other industry is current, topical and relevant information so important in the consumer decision-making process. Without appropriate information, a potential customer's incentive and ability to book is severely limited (Murphy *et al.*, 2007).

Travellers typically need access to relevant information before going on a trip to help them plan and choose between options, and also need detailed information about the destination itself, during the trip itself as the trend towards more independent travel continues (Poon, 1993). This need for information is heightened by the intangible nature of the travel product, as unlike with manufactured goods, pre-purchase trial is impossible, making travel practically completely dependent on representations and descriptions to help consumers make their purchase decision (Mazzarol *et al.*, 2007). Travel products are also diverse, and in many cases it is this heterogeneity that makes them attractive in the first place. In addition, travel products are rarely bought in isolation and the endless combinations and permutations of alternative travel routes, transportation modes, time, and accommodation choices available from different suppliers make travel decisions complex (O'Connor and Frew, 2004).

Recent changes in society have also heightened the need for information (Vaughan *et al.*, 1999). In an increasingly busy world, travel represents an investment (both financial and emotional) that cannot be easily replaced if something goes wrong. Time has become a scarce commodity, with the annual holiday or even weekend break increasingly becoming associated with risk. As discussed above, planning even the simplest trip means choosing between a bewildering array of options. Research has shown that the greater the degree of perceived risk in a pre-purchase context, the more likely that consumers will seek out information to help make their choice (Buhalis, 1997). Today's consumers are thus hunting for increasing quantities of information in order to bridge the gap between their expectations and experience, making the fast, efficient distribution of information essential in the travel sector (O'Connor, 2008a).

Travellers can acquire information from a wide variety of sources, including directly from the travel supplier or through various intermediaries, which essentially act as information brokers (Murphy *et al.*, 2007). Although the dividing lines are becoming increasingly blurred, intermediaries typically take different forms. Travel agents act as both a 'search and book' service and as an advisor for the customer, relieving them of the burden of searching for suitable products, and also using their knowledge and experience to help match customers with destinations (Palmer and McCole, 2000). Tour operators essentially act as consolidators, packaging different travel components together and marketing them as a single seamless product, thus helping to reduce the complexity of the purchase decision. Some regional tourism organizations also act as intermediaries, distributing information and brochures for tourism suppliers within their region (Laws, 1997), while a variety of other organizations (such as clubs, credit card companies, incentive houses and religious groups) have become involved in providing similar services, albeit in a more minor way. However, in all cases, the role of such companies is to facilitate a purchase by distributing relevant and topical information to help consumers in their travel decision-making processes (Buhalis and O'Connor, 2006).

While relatively efficient, information distribution through intermediaries suffers from a variety of challenges. Two of the most significant are the knowledge gap (Buhalis, 2000) and the credibility gap (O'Connor, 2008b). In a rapidly changing world, the role of travel intermediaries as knowledge brokers is being challenged by changing customer characteristics. Particularly as the move from mass tourism accelerates, travellers' information needs are becoming at once individually more specialized and collectively more diverse. Customers want to know more and more about smaller, more specific topics. At the same time, consumers are becoming increasingly knowledgeable, informed by specialist travel shows on television and by increased coverage of travel in the print media, and able to research their interests in depth on the Internet. Increasingly, consumers are walking into travel agencies armed with highly specific ideas about where to go, where to stay and what to do. The value added from travel agents has traditionally been their superior knowledge and recommendations, but this is being

challenged as the specificity of consumer requests increases. In many cases, the consumer is better informed about the area of interest than the generalist travel agency or tour operator – in effect putting an end to its role as trusted travel advisor and information broker.

Also, irrespective of whether travel information is distributed through an intermediary or directly from the supplier, it generally has one of two sources – either from the supplier itself or as editorial information in a media publication such as a newspaper, magazine or guidebook. Given that in both cases, the base information usually ultimately originates with the supplier, its credibility is questionable. Information provided by suppliers is by its very nature marketing and advertising orientated and thus highly biased. To read many brochures, every travel experience is unadulterated hedonism – a sharp contrast to the reality of travelling in today's overcrowded, under-delivering travel environment. Herein lies the supposed added value of journalists and travel guides, whose role is to cast an unbiased eye over such information, filtering and consolidating it into recommendations that can be relied on by readers to be objective. An entire industry has developed around the production of such guides, from global brands such as Fodor's, Rough Guides, Lonely Planet, Michelin and Time Out, to more specialized publishers focusing on particular regions or experiences. However, today's consumers are increasingly questioning the impartiality of such sources, driven in part by media reports of pay-to-play guides, whose editorials/rankings are driven by kickbacks from suppliers, and glaring errors, such as the award of a Michelin star to a Brussels restaurant that had not yet opened, that call into question the sector's credibility. Here lies the quandary. Today's sceptical consumers have a need for detailed, topical, relevant information as an input into their travel-planning process, but regard traditional sources of such information as being less than trustworthy (Xue and Phelps, 2004). Ideally, they need a more credible source – a need that is being serviced by the growth in the Internet phenomenon known as Web 2.0 (Yoo and Gretzel, 2009).

An Introduction to Web 2.0

The term Web 2.0 emerged in late 2004, originating in the work of Tim O'Reilly of O'Reilly Media (Tredinnick, 2006). However, despite much media hype, a formal, agreed-upon, definition has yet to be developed, partly because the term means many different things to many different people. Although not an empirical source, Wikipedia has defined Web 2.0 as a 'perceived second generation of web-based services that emphasise online collaboration and sharing among users' (Wikipedia, 2008). Technically, Web 2.0 can be defined as a new generation of Internet-based technology (sites, applications, services and processes) that allow people to collaborate and share information in ways that were previously unimaginable. However while the phenomenon is facilitated by technological developments, most people agree that its growth has had more to do with a fundamental shift in user behaviour than with any particular technological development (Dearstyne, 2007). Even Tim O'Reilly, the technology publisher who coined the term, prefers to describe Web 2.0 as an attitude rather than a technology.

Although details vary, the common thread throughout all Web 2.0 developments is web-based information in the hands of users, which they can use, create, share, edit and even sell if they so wish (Tredinnick, 2006). Web 2.0 sites tend to be participatory, encouraging contributions and feedback from anyone who is interested, thus blurring the line between the content's creator and the content's audience (Dearstyne, 2007). They also tend to be conversational, using two-way interaction between participants rather than a broadcast approach (Nicholas et al., 2007). They are community focused, facilitating the interaction of groups of people with similar interests, and they are connected, amalgamating links and content from many different sources to add synergistic value to the resulting service, product or message. Therefore, the concept of Web 2.0 can be considered as a huge virtual community where people can participate and interact based on commonality of interests.

A key issue to understand is that Web 2.0 is not just a new set of media outlets or

channels. It reflects a fundamental shift in how the media work. Most Web 2.0 technologies are evolutionary when considered on their own. However, the rapid convergence of these technologies has resulted in revolutionary change in consumer behaviour. Web 2.0 sites enable consumers to interact with content and with each other whenever and however they like. As a result, individuals are increasingly take clues from one another, rather than from institutional sources like corporations, the media, political bodies or even religions. While in the past, consumers looked to such authorities for their information, now they are increasingly looking at the collective wisdom of their peers as the ultimate authority (Cox *et al.*, 2008).

Although predominantly a user phenomenon, the growing importance of Web 2.0 has left most businesses, not least of all tourism destinations, struggling to work out how to take advantage of it. Wherever content and community are gathered, a valuable potential exists for commerce. At this point, however, most discussions of how to exploit developments commercially are met with vacant nods and lots of head scratching. Most businesses do not really understand the essence of the community and the fundamental needs of community members. The successful operation of a virtual community facilitated by social media lies in whether the businesses have a comprehensive understanding of the essence of a virtual community and to what extent they know their members in terms of who and what their basic needs are in the context of virtual communities (Wang *et al.*, 2002).

Understanding the Virtual Tourist Community

Considerable research efforts have been made to define online communities and grasp their key features. Therefore, a range of definitions emerge, reflecting the viewpoints of different disciplines, such as sociology, technology and e-commerce. However, researchers have defined the concept of virtual community from their own relatively narrow disciplinary perspective, resulting in a substantial confusion and fragmented conclusion.

Features and operational elements of the virtual tourist community

Considering the unique characteristics of virtual community and examining all discussions about the definition of online community from different perspectives, Wang *et al.* (2002) proposed a framework for understanding the virtual tourist community (Fig. 14.1). According to Wang *et al.*'s conceptual model, place, symbol and virtual are considered as the unique characteristics of virtual community. At an operational level, virtual community requires the presence of groups of people who interact with specific purposes, under the governance of certain policies, and with the facilitation of computer systems.

Virtual community as place

In an offline world, a community is a physical venue where people can develop and maintain social and economic relationships and explore new opportunities. A community is formed based on certain commonalities such as location, lifestyle, identity, character, etc. In a manner similar to the physical community, a virtual community can be perceived as a social organization where like-minded souls meet. Although people cannot see 'it', 'it' does exist in the hearts and souls of virtual community members.

Virtual community as symbol

When creating a community, people tend to attach a symbolic meaning to that community. It is the symbolic dimension of a community that provides meaning and identity for the community members. As Calhoun (1980) addresses, community is a complex of ideas and sentiments. A virtual community exists because participants define it and give it meaning. A virtual community has its own cultural composition; it has its own collective sense and its own virtual ideology and symbol. In this sense, a virtual community is a very personal thing and only the members
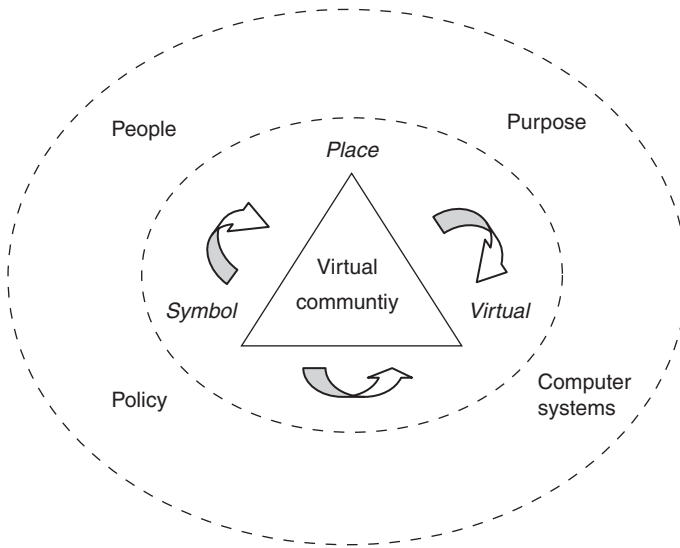
Fig. 14.1. A conceptual model of the virtual tourist community (Adapted from Wang *et al.*, 2002).

themselves can tell whether they feel a part of the community.

Virtual community as virtual

In spite of similarities between online communities and offline ones, being virtual is one of the most important features that distinguishes them. The notion of virtual community is inherently unique because computer-mediated communication (CMC) creates the context within which social relations occur and affect our view of community, especially in a virtual way. Because the term 'virtual' associates with 'unreal', it is argued that what happens online is like a community, but isn't really a community. However, if one agrees that communication is the core of any community, a virtual community is real no matter where it exists.

Theoretical notions of virtual community can only be made feasible by four operational elements: people, purpose, policy and computer systems. Therefore, a more comprehensive and complete understanding of the virtual community requires an examination of these four elements.

PEOPLE   People are the heart of the community and without them, there is no community. Active interactions among community members distinguish online communities from web pages. People in online communities play different roles, and such roles can have a positive or negative impact on a community. Some roles that have been identified include: moderators and mediators, who guide discussions and serve as arbiters in disputes; professional commentators, who give opinions and guide discussions; general participants, who contribute to discussion; and lurkers, who silently observe.

PURPOSE   A shared purpose, such as interest, information or service, indicates the reason of existence for a community. The purpose of a virtual community helps it to understand what it wants to accomplish, who is the target audience and what benefits its members can obtain from participation. The purpose of the community also helps to define both its structure, and what resources will be needed to run and maintain the community. A successful community serves a clear purpose in the lives of its members and meets the fundamental goals of its owners. Hence, notifying the purpose upfront will help to create a coherent, compelling and successful online community.

POLICY   Policy is needed in a virtual community to guide online behaviour. The community needs policy to determine: requirements for joining that community, the style of communication among participants, accepted conduct, privacy policies, security policies and repercussions for non-conformance. Unwritten codes of conduct may also exist. The nature of the policy that governs the community and how it is presented can strongly influence who joins the community and its character.

COMPUTER SYSTEMS   Computer systems can be regarded as the basis for virtual community. It is through computer systems that millions of people can have access to vast quantities of information and communicate with each other. Computer systems support and mediate social interaction and facilitate a sense of community.

Benefits of virtual tourist community members

The benefits of participating in a tourist community are diverse and dynamic, and the process of identifying and capturing the benefits can be complex owing to the great diversity of member characteristics and the nature of the tourist community. Wang and Fesenmaier (2004) take a social psychological approach and conceptualize member participation in and contribution to a virtual tourist community as driven by the following benefits they are seeking in that community: functional benefits, social benefits, psychological benefits and hedonic benefits (Fig. 14.2).

Functional benefits

Tourist community members obtain functional benefits when they go online to fulfil specific activities. The functional benefit can be a great amount of relevant information needed to plan a trip. It is argued that exchange of information in the online environment is more convenient and efficient because online information can be accessed without concerns about time and geographical limits. The functional benefit can also be transactions in which members buy and sell products or services (Armstrong and Hagel, 1996).
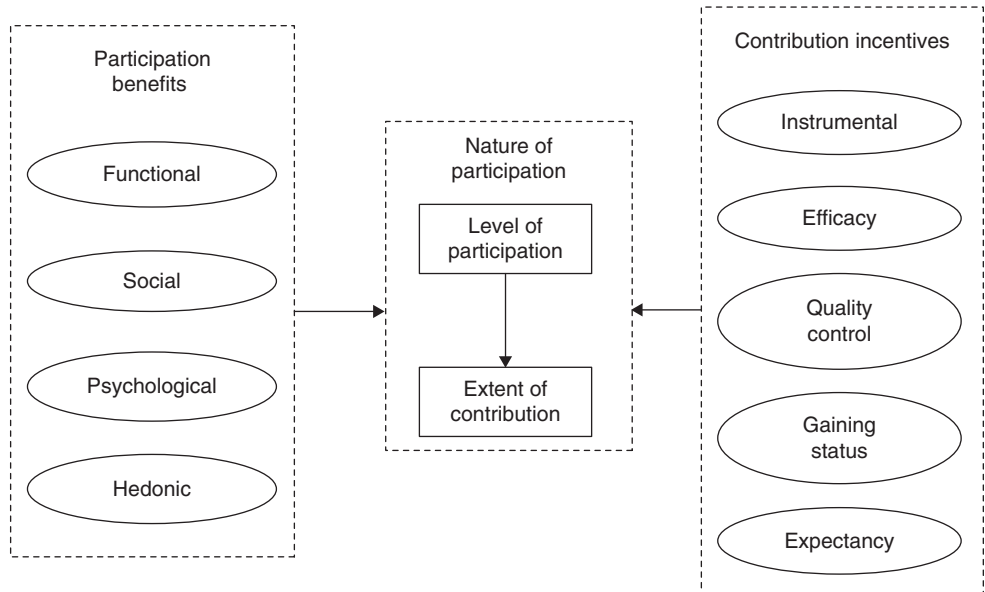
Fig. 14.2. Participation benefits and contribution incentives of a virtual tourist community (Adapted from Wang and Fesenmaier, 2004).

Social benefits

A virtual tourist community is socially structured, conveys social meaning and brings social benefits. These social benefits are defined by the purposes of virtual tourist communities based on the tasks that the members are involved in, and include providing help and support, socializing formally through both synchronous and asynchronous communication, discussing and exchanging ideas, forming relationships and getting involved with other members (Preece, 2000). Specifically, the social benefits of a virtual tourist community are communication, trust between members and community owners and among community members, and relationship and interactivity among members (Wang *et al.*, 2002).

Psychological benefits

Besides functional and social benefits, a virtual tourist community can also offer psychological benefits to its members. In a virtual tourist community, what begins primarily as a search for information transforms into a source of community and understanding, and eventually a lasting identification may be established. It is argued that psychological benefits make the community a part of its members' lives and a powerful organizing force in the world of commerce. These psychological benefits include a sense of belongingness to the community, identity expression through the community, and a sense of affiliation with other members in the community.

Hedonic benefits

Members join a virtual tourist community not only to obtain functional, social and psychological benefits, but also for their own enjoyment and entertainment purposes. The hedonic perspective views consumers as pleasure seekers engaged in activities that elicit enjoyment, entertainment, amusement and fun. A virtual tourist community offers people the opportunity to come together and explore a new world of fantasy and entertainment where they can engage in role-playing games in which everything seems possible.

It should be noted that different virtual communities will differ significantly in terms of relative focus on benefits offered. Some address one benefit over the others. For instance, Wang and Fesenmaier (2004) demonstrated that social and hedonic benefits have more impacts on members' participation in a virtual tourist community than do functional benefits. However, few communities will be successful if they emphasize one benefit to the exclusion of the others, because the strength of virtual communities lies in their ability to provide multiple benefits simultaneously.

Incentives to contribute to the virtual tourist community

For virtual communities to evolve and prosper and for all community members, as well as community organizers, to benefit, it is essential that a balanced proportion of members in the community actively contribute to the community in various forms, such as asking and answering questions, providing suggestions, sharing ideas, etc. The willingness of community members to contribute can be explained from theories of gift economy, self-concept, and social capital creation and appropriation. The following five incentive constructs can be used to explain why members contribute to the virtual tourist community: instrumental, efficacy, expectancy, quality assurance and gaining status (see also Fig. 14.2).

Instrumental incentives

Just as members join a virtual tourist community to obtain functional benefits, members make active contributions to that community for instrumental purposes. Instrumental incentives can be based on obligations created in the process of dyadic social exchange (Blau, 1964). Instrumental incentives can be explained by rational actor models in which individual and collective actors cultivate and exploit social capital for their own benefits (De Graaf and Flap, 1988; Burt, 1992). In addition, the theory of social capital creation and appropriation can be used to explain

instrumental incentives, where member expectations reflect the reward that they may obtain from the pool of social capital.

Efficacy incentives

It is surprising that a large number of members offer help, support and assistance to other members in a virtual tourist community. Personal attributes including passion, a desire for recognition and a sense of obligation that comes from past experience as a 'taker' make some people want to give back to the community (Cothrel and Williams, 1999). Further, this sense of trying to help others may come from the self-satisfaction of the actions itself. The cost of communicating through computer networks is much lower than face-to-face communication, and the value of a piece of information offered online can be amplified because of the fact that an unlimited number of people might use or make copies of the information provided.

Expectancy incentives

Gift economy can be used to explain the interaction in a virtual community (Rheingold, 1993). Gift giving usually involves an unstated obligation to repay the gift at some future time. When people pass on free advice or offer useful information in a virtual community, the incentive is an anticipated reciprocity. However, online exchange is more generous and riskier than gift giving (Kollock, 1999) because the recipient is often unknown and the giver may never encounter that recipient again. Thus, the usual obligation of reciprocity between two specific individuals is difficult or impossible. It is also argued that 'gifts of information' and advice are often offered not to particular individuals, but to a group as a whole (Kollock, 1999). Although a balanced reciprocity with a particular individual may not be possible, there is a sense in which a balance might occur within a group as a whole.

Quality-assurance incentives

Individuals place great weight on the judgements of their fellow community of consumption members, particularly the expert judgment of insiders and devotees. According to Forrester Research (Allen *et al.*, 1999), when people are considering buying online, about half of online community users turn to the opinions of their fellow community members. One third of the online community users acknowledge that those opinions influence their purchase decision. Therefore, it is believed that community members make a contribution to the virtual tourist community for the purpose of controlling products/service quality, enforcing service excellence, or making product suggestions/evaluations based on their own travel consumption knowledge and experiences.

Incentives of gaining status

According to the self-concept theory (Stryker, 1980, 1986), the ideal self is derived by adopting the role of the expectations of the reference group members in order to satisfy his/her own needs of affiliation and power. Making regular and high-quality contribution to the group can help a person believe that he/she has an impact on the group which, in turn, supports his/her own self-image. In a virtual tourist community, high-quality information, impressive technical details in one's answers, a willingness to help others and elegant writings can all increase one's status and prestige. Hence, desire for status and prestige is considered as one of the key motivations of individuals' contribution to the virtual community.

Web 2.0, Virtual Community and Tourism Destinations

The growth of the virtual community supported by Web 2.0 technologies such as blogs, user reviews and social networks provides great opportunities for both business organizations and their customers (Armstrong and Hagel, 1996). Companies can use Web 2.0 sites to create new types of services and to enhance their existing products and to create new divisions and capabilities. For tourism destinations, these sites can broaden their marketing horizon and have a great impact on marketing, sales, product and service

development, supplier network, information quality and distribution channels. This section examines the principal developments in Web 2.0 and assesses their implications for travel destinations.

Blogs

Blogs, or web logs, are one of the most popular forms of user-generated content available, with the blog search engine Technorati tracking more than 112 million separate blogs in December 2007. Usually written in journal style and presented in reverse chronological order, blogs tend to be focused on a highly specific topic and typically contain commentary or news about that particular subject. Content is usually primarily text, although photos, video and links to external websites and/or other blogs are often typically included. Most blogs allow readers to comment or respond to postings, which is an important part of the feeling of community that typifies Web 2.0 developments. The motivation to blog varies greatly. For many, the impetus is purely personal, with the blog simply representing a desire to share their thoughts, reflections and feelings. A growing trend is the introduction of blogs by companies, either as an internal tool to enhance communications, or externally for marketing, branding or public relations purposes. Known as corporate blogs, such sites often suffer from the aforementioned problem of credibility. Impartiality is the key, as if the message is too commercial, the blog can be perceived as just another marketing/advertising initiative.

Blogs are seen as being particularly important for travel. As discussed above, most tend to focus on highly specific topics, and bloggers are often seen as authorities or experts. As the trend towards more specialized travel continues, such authorities are becoming more influential, both among their own regular readers and among casual surfers brought to their blogs by more efficient search engines. According to the 2006 Y-Partnership National Leisure Travel Monitor, more than a quarter of consumers seeking travel information on the Internet visited a blog to review information about a destination or travel service supplier. As a result, managing a destination's reputation on blogs has become essential (Inversini *et al.*, 2010). Destinations need to actively monitor what is being said about them, which allows them to stay abreast of public opinions about their image, and also allows them to make sure that incorrect information is not being circulated.

The opportunity also exists for destinations to proactively reach out to the blogging community. If a destination can identify the bloggers regarded as authorities for their target markets, steps can be taken to insure that they are positively inclined towards the destination (Ellis-Green, 2007). For example, for many years, destinations have engaged in public relations activities with traditional travel agents, providing them with brochures and other content to help familiarize them with, and help them sell, the product, as well as 'familiarization trips' to allow them to experience what the potential guest might experience. However, as the influence of travel agents declines, such actions will become less effective. Furthermore, one travel agent can only influence a small number of people. In contrast, the correct blogger can potentially influence a much higher number of people and, as opposed to the travel agent, who is receiving compensation for its recommendation and facilitation of sales, the blogger is looked upon as impartial and therefore more influential. Thus, working with the correct set of bloggers can have favourable effects on a destination's image.

Micro-blogs

An interesting and related new trend is the growth of 'micro-blogs' – a form of blogging that allows users to write brief text updates (usually 140 characters) and publish them on the Web. These messages can be updated by a variety of different means, including text messaging from a mobile phone, and instant messaging by email or from a website. The most popular service is undoubtedly Twitter, although the status update feature of social networking websites such as Facebook,

MySpace and LinkedIn could also be regarded as a form of micro-blogging. Although limited in content, micro-blogs are, in fact, extremely detailed as they capture moments in time, allowing bloggers to share thoughts and feelings continuously and instantaneously. This form of social media lends itself well to a generation already too busy to keep in touch by conventional means.

Social networks

Social networks are sites where people gather and form relationships within a virtual space. Most allow users to build personal web pages and then connect with friends to communicate and share content. Subgroups typically form around highly specific interests, with each member taking part in multiple subgroups (Dwyer, 2007). Such networks have their origins in supporting interactions among neighbours in a community (Carroll and Rosson, 2003), and they typically facilitate information exchange, discussion and joint activity related to local events, issues and concerns (Boyd and Ellison, 2007). However, their context has been transformed by the expansion of electronic communications and use of the Web (Wang *et al.*, 2002). No longer limited by physical location, communities of individuals with similar interests and concerns can now be formed virtually and can interact primarily in the online environment (Sun *et al.*, 2006).

Facebook, the original social network, was launched by Mark Zuckerberg in 2004. At that time, it was targeted exclusively at Harvard students, but proved such a huge hit that within 2 weeks, half of the student body had signed up and other Boston-area schools began demanding their own Facebook network. Within 4 months, Facebook had added 30 more college networks and the social networking trend was born. Facebook continued to grow, opening up to high school students in September 2005, to work networks at the beginning of 2006 and finally to anyone with an email address in September 2006. Facebook users' passion, or addiction, to the site is unparalleled: more than half log into the system every day and users typically spend an average of 19 minutes a day on the site. Facebook has been joined in the social network arena by a growing range of generalist sites (such as MySpace and Friendster, which exist essentially to allow people to network, connect and interact with each other socially), business sites (such as LinkedIn and Viadeo, which are more focused on developing business relationships) and specialist sites focused on highly specific subjects, many of which are being facilitated by technology solutions such as Ning, which allows anyone to easily set up their own social network site with practically no technical knowledge. Different networks dominate in different areas of the world, with the major networks having much less influence outside the USA. For example, social networking in French-speaking countries is dominated by Skyrock – a network practically unheard of in the Anglophone world. Similarly, Asia also has its portfolio of social networks, including Cyworld in South Korea, mixi in Japan and QQ.com in China.

The reactions of travel companies to the social networking phenomenon have been twofold – to leverage the trend and try to create their own specialized travel communities, and to participate in existing social networks with the aim of building brand loyalty. Probably the leading example of the first approach is WAYN (Where Are You Now?) – a travel-based social network that allows users to keep tabs on friends they have met around the world. The idea for the site was hatched after the founders Jerome Touze and Peter Ward returned from a backpacking tour and wanted an easy way to keep in touch with friends. The site offers the standard social networking features (personal profiles, photo sharing, video uploads, messaging) and also allows users to share user reviews for travel products such as accommodation, dining and nightlife. However, while services such as Ning make establishing a social network relatively easy from a technical perspective, building up an active community of users can be difficult, which has prompted many travel companies to forgo setting up their own networks, but instead to concentrate on participating in existing social network sites and becoming 'friends' with their customers. This allows them to develop relationships with

groups and share information with highly targeted market segments, which, incidentally, bypasses the SPAM filter and even the lack-of-interest filter that today acts as a limit on traditional e-mail marketing. Being friends with the customer also allows companies to see at first hand what their customers are interested in, what they like to do and where they like to go, which can be an incredible source of market intelligence, giving access to information that would be difficult if not impossible to obtain otherwise.

User reviews

As discussed earlier, one of the advantages of the World Wide Web is the incredible access to information that it puts into the hands of consumers. In particular, the ease with which consumers can use search engines to find whatever they are looking for has turned the Web into a user-driven, non-linear repository of information. Instead of, as in the past, the marketer dictating how information is presented and consumed, the user is now in control. Visitors to websites no longer necessarily enter through a home page and browse consecutively through the site as they would in a brochure. Instead, they can access specific pieces of information directly from search results.

However, the increased quantities of information offered by the Web can be both a blessing and a curse. Often the sheer quantity of information available can complicate the decision-making process, with consumers neither having the time nor the ability to compare all options available. When the abundance of alternatives is overwhelming, this leads to confusion, sub-optimum decisions or dissatisfaction with choices made. In the offline world, word of mouth plays a pivotal role in overcoming this challenge and helping consumers to find the information they need (Looker *et al.*, 2007). When confronted with too much information, consumers actively seek out the opinions of others as a means to manage risk (Smith *et al.*, 2007). In addition, word of mouth is perceived to be more vivid, easier to use and more trustworthy than marketer-provided information (Smith, 1993).

While in the past, this method implied people talking individually or in small groups, the Internet has amplified and turbocharged it into a mass communications medium, be it with a predefined group of friends or with thousands of online but connected strangers in a social network (Hennig-Thurau *et al.*, 2004). By making it easier for consumers to disseminate their points of view, and also by facilitating access to such opinions, the Internet is having a profound effect on how consumers make purchasing decisions.

As a result, today there are online forums for just about any consumer product, from coffee to electronics, where consumers can discuss their experiences, can publish their opinions and share news and advice (Puri, 2007). This means that for the first time in history, individuals can make their personal thoughts, reactions and opinions easily accessible to the global community – in effect turning every customer into a mystery shopper. Furthermore, as Sun *et al.* (2006) point out, compared with face-to-face communicators, contributors to such sites tend to demonstrate fewer inhibitions, display less social anxiety and exhibit less public self-awareness, and thus tend to be more honest and forthcoming with their viewpoints. The Pew Internet & American Life Project estimates that nearly half of all US Internet users have published their thoughts or otherwise created content online (Gretzel *et al.*, 2007). Consumers' motivation for doing so varies considerably (Walsh *et al.*, 2004). Despite what might be expected, venting frustration about negative experiences seems to be a relatively minor reason for posting a review (Wang and Fesenmaier, 2003). The desire for social interaction, concern for other consumers and potential to enhance own self-worth are frequently cited motivators in a 2004 study (Hennig-Thurau *et al.*, 2004).

Interested consumers can now access these user-generated data during their decision-making processes and use it to help evaluate alternatives – basing their decisions on the unfiltered, dynamic and topical opinions of their peers rather than on mass-market advertising messages produced by suppliers (Dobele *et al.*, 2005). As a result, social network sites have become increasingly important and are now thought to have as much influence

on consumers as television and more influence than newspapers (Amis, 2007). A recent survey by Opinion Research Corporation (2008) found that over 60% of respondents checked online reviews, blogs and other customer feedback before buying a new product or service, and over 80% of those who consulted such material said that it had at least some influence on their subsequent purchase decisions. User reviews are seen as highly credible as the writer is usually seen as being independent of the vendor (Silverman, 2001), and thus not seen to gain directly from advocating the product or service in question (Sweeney *et al.*, 2008). This is evidence that consumers are increasingly relying on feedback of this type as input into a wide range of decisions, including which movies to watch, which stocks to invest in and, of course, which products to buy. Many claim that consumers in fact prefer such peer recommendations over other forms of input (Smith *et al.*, 2007). Owing to the fact that social networks are usually formed between consumers with similar interests and are peer-to-peer, such opinions are perceived to be both relevant and unbiased and, therefore, more likely to be believed by today's sceptical consumer than advertisements or content generated by professionals (Senecal and Nantel, 2004). Commercial sites are also trying to make use of this phenomenon to help convert surfers into buyers. For example, retailing sites such as Amazon.com and ebay.com encourage consumers to write reviews about products and use these reviews as promotional tools on their sites.

Within travel, the Web 2.0 topic receiving most attention is clearly the effect of user-generated reviews (Chatterjee, 2001). These are now routinely built into online travel agencies' sites (see for example Expedia.co.uk or Priceline.co.uk), in some cases affecting display order and undoubtedly influencing the potential customer's choice. However, research indicates that reviews posted on sites of this type are seen as less credible than those posted on dedicated third-party user-review sites (Gretzel *et al.*, 2007), and in many cases, those on commercial sites are (correctly or incorrectly) perceived as being less objective (Xue and Phelps, 2004).

User reviews are clearly having a massive effect on travel (Yoo and Gretzel, 2009). The proliferation of user-generated content means that instead of the expensive, glossy, perfectly posed photos included in brochures or advertisements, a customer's first image of a destination can often be comments or candid photos posted by earlier guests on social network sites. Complete, Inc. suggests that in 2007 almost half of travel purchasers used consumer-generated content in their travel planning, and nearly one third said that they found its input useful. More than half of all online travellers claim to consult online reviews every time they plan a trip. Most make use of such sites at the beginning of their travel-planning process to get ideas or to narrow down choices, with a smaller number consulting them at later stages to confirm their choices (Gretzel *et al.*, 2007). Most travellers perceive user-generated reviews to be more likely to provide up-to-date, enjoyable and reliable information than content provided by travel service providers. Frequent travellers, in particular, see peer reviews as superior to other information sources and are more likely to be highly influenced by them (Gretzel *et al.*, 2007).

Independent user-review sites are not without their problems. While, as discussed above, consumers often turn to such sites to reduce their information overload problem, the sheer quantity of reviews, comments and feedback available may in fact further complicate the decision-making process (Bellman *et al.*, 2006). In such cases, credibility and trust become even more important, and the absence of contextual clues to aid interpretation can be problematic (Dellarocas, 2003). In the offline world, contextual clues (such as, for example, a person's facial expression) are used to help evaluate opinions. As such clues are absent in the online environment, sites often display demographic or other data about reviewers (for example, the length of membership, their location, the number of times they have posted reviews in the past, etc.) to help build credibility and trust. Other sites allow readers to provide feedback on the quality of reviews, incorporating such input into a rating of the reviewer. However authenticity remains a key challenge (Puri, 2007).

The anonymity with which individuals can post content on social networking sites has led to questions about the legitimacy of ratings. Without appropriate safeguards, participants can post dishonest reviews to enhance their own reputation or tarnish that of their competitors. Several press reports call into question the legitimacy of reviews posted on user-generated review sites (Keates, 2007). However, in an empirical research study carried out by O'Connor (2008b) on reviews posted about London hotels, only a tiny number of the reviews could be identified as 'suspect', indicating that problem may not be as widespread as industry buzz speculates. The power of the crowd that typifies Web 2.0 sites is also relevant here. As the number of reviews grows, the impact of fake reviews falls as they are overwhelmed by the large number of legitimate reviews posted for each tourism product (hotel, restaurant, trip, etc.).

Photos and video sharing

Although textual content, particularly user reviews as discussed above, has generally received the most attention in terms of user generated content, the importance of multimedia content – particularly photos and video – should not be discounted. Such content is already making its way into both the social network sites and the user review sites discussed above, and is obviously highly influential. Given the growing popularity of such sites as sources of travel information, instead of posted photos, a customer's first impression of the hotel may actually be the photo of the room service tray that has sat in the corridor for 3 days and now has green mould growing on it (incidentally a real example from TripAdvisor). In a free society, such content is difficult if not impossible to control, and it puts further pressure on travel businesses to make sure that everything goes as planned in their day-to-day operations.

In addition to multimedia content being posted on social network and user review sites, a range of dedicated Web 2.0 sites also focus specifically on sharing photos and videos. Flickr has become the industry standard for photo sharing, and allows users to upload and share personal photos, tagging them to allow others to search for and retrieve particular content. However, it is video rather than photos that seems to be having a broader effect. With broadband connections becoming commonplace, particularly in developed countries, the resulting increase in bandwidth has made it possible for consumers to both easily upload video to video-sharing sites and to view streaming video presentations. The result is that there are now tens of millions of user-generated video clips available online, with websites dedicated not only to offering free video clips to users (such as YouTube and DailyMotion), but also specific sites dedicated to offering just travel-related video clips (such as TvTrip or Trivop). While some of these have used commercial services to produce their initial content, in most cases their intention is to encourage user-generated video, with real people sharing videos of their real experiences. This is clearly an opportunity for publicity and public relations that can be exploited, either by producing and uploading video that presents an overview of the resort, or by encouraging, and perhaps facilitating, customers in doing so. Although troublesome, time-consuming and expensive to produce, such material has the authenticity desired by today's consumers, and may be much more effective than professionally produced content or advertising.

Tagging

Tagging (or folksonomy) refers to a way of cutting through the clutter to categorize and find information in the online environment (Scaglione *et al.*, 2010). Sometimes known as collaborative tagging, social classification or social indexing, tagging refers to the process of collaboratively creating and managing tags to annotate and group content such as web pages, blog entries, photos or videos (Tredinnick, 2006). In contrast to traditional indexing, tags are generated not only by experts but also by the creators and consumers of the content. Freely chosen keywords are used instead of a controlled vocabulary and any piece of content can be assigned multiple tags, which are then consolidated to give a

true, user-generated impression of what the content is really about.

Tagging is increasingly being used by people browsing the Internet, not only to classify content on sites such as Flickr and YouTube (thus allowing it to be found easily, both by themselves and by other users – based on a shared vocabulary) but also as a way of storing and retrieving web pages in a way that they want to remember – a process known as social bookmarking. Suppose, for example, that someone was considering planning a weekend trip to New York. Most people would start their planning on one of the major search engines such as Google. Searching just for New York would result in hundreds of thousands of results, which the user would begin to iteratively review, refining the search depending on what was found and their specific personal interests. As they visited each page, they could tag those that interest them to save them in a service such as Del.icio.us. Retrieving these pages as a group thus becomes easy, as they are categorized based on user-defined terms. The prospective traveller could also consult pages that other users have tagged using similar keyword terms (in effect by looking at their comparable tag clouds, thus allowing them to find information based on how like-minded people perceive content rather than how the content creator or a marketer intended it to be classified).

Wikis

Wikis are a type of website that allows users to easily add, remove and otherwise change content on their pages. Thus, in effect, wikis act as a form of communal document, with content spontaneously created and updated by users themselves. The best-known wiki is the online collaborative encyclopaedia Wikipedia, which has over 1.25 million articles published in English alone. The concept relies on the idea of the wisdom of the crowd, with its basic premise being that as grass-roots users decide what to write about, over time, every topic (or at least every topic that is important to users) will be covered and successive modifications of entries will eliminate

mistakes. Given such a collaborative methodology, there is obviously considerable debate as to whether the information found on wikis is accurate, as there is little, if any, editorial control. Although recent edits are generally listed on a linked page, and readers can look at the revision history of each page, control is minimum. However, this power of the crowd approach seems to work, with a recent study by the British scientific journal *Nature* showing that Wikipedia comes very close to the traditional Encyclopaedia Britannica in terms of accuracy, with some notable exceptions.

While still relatively new, wikis have begun to develop within travel. For example, Wikitravel (www.wikitravel.org) is a project to create a free, complete, up-to-date and reliable worldwide travel guide, built in collaboration with travellers from around the globe. Started in July 2003, so far it has gathered over 19,000 destination guides and other articles written and edited by travellers from all around the world, and was voted one of *TIME* Magazine's 50 best websites of 2008. The related site World66 (www.world66.com) takes a similar approach, offering travel information on over 32,000 destinations and nearly 129,000 articles written and updated by individual travellers. TripAdvisor (www.tripadvisor.co.uk), the most prominent travel user-generated content site, has also recently launched the TripAdvisor wiki (TripAdvisor Inside; www.tripadvisor.co.uk/TravelHome), allowing visitors to edit travel guides to support the large number of user-generated reviews. In each of these cases, travel suppliers and destinations need to take the time to find and review their entries on relevant the wikis, as their prominence in search result listings means that they are being both seen and consulted by consumers searching for travel information.

Podcasts

The term 'podcast' typically refers to an audio file downloaded from a website or syndication service. The term originated as a combination of the words 'iPod' and 'broadcast', as the original podcasts were designed to be listened to on personal media players such as

Apple's iPod, thus allowing individuals to distribute their own radio-style shows. Podcasting is distinguished from simply providing audio content online by its syndication feature, which uses special software (in particular Apple's iTunes) to automatically check for new content and transfer it to a mobile device as it becomes available.

While the initial appeal of podcasting was to allow individuals to distribute their own radio-style shows the system has quickly become used in other ways. Currently, it is widely used in education, allowing teachers to share information with students, parents or any other interested party, and its use in travel is growing rapidly. Travel websites are increasingly using podcasts as a means of delivering a multimedia experience of a destination. Thousands of guidebook podcasts exist covering every possible destination and topic. For example, the travel guide publisher Lonely Planet, online travel agency Orbitz and airline Virgin Atlantic all provide destination-focused podcast services on their websites. Most are free, although commercial versions are also available from online music stores such as iTunes or Amazon.com. While many podcasts are professionally produced, the ease with which they can be created has opened the door to semi-professionals or even users themselves. In line with Web 2.0 principles, this allows podcasts to be focused on highly specific niches that would be uneconomic to service commercially but which can find a willing audience among highly specific online communities.

Real Simple Syndication

Real Simple Syndication (RSS) refers to a file format used to subscribe to services such as blogs, newsfeeds or podcasts. Its key benefit is that it alerts the user whenever the content to which they have subscribed is updated, with the result that the user can keep track of developments on a large number of different websites, blogs or other services without having to go back and check each one individually.

The adoption of RSS has clearly been slower in travel than in other sectors. This may partly be caused by the fact that the process is relatively complicated, and thus usage tends to be limited to more technology-savvy users rather than the general travelling population. However, the growth in the use of personal portal pages such as iGoogle or MyYahoo!, dedicated aggregation services such as NetVibes and Pageflakes, and Windows Gadgets, means that more and more people are using RSS feeds – even if in many cases they do not understand, or perhaps are not even aware, that they are doing so. As a result, travel companies are beginning to use RSS feeds to keep customers aware of the latest developments. For example, the Conde Nast website (Conciege.com) uses RSS to deliver insider recommendations to interested readers. Other companies are using feeds for more commercial purposes, with many of the leading online travel agencies, hotel companies and even destinations in particular using the technology to make customers aware of travel deals and specials. Companies such as Expedia, STA Travel, Virgin Holidays and Orbitz all offer customers the opportunity to automatically receive new offers and promotions as soon as they are posted on the main site, with the twin benefits of keeping customers informed and also acting as a powerful selling medium by putting the offers proactively under the nose of the consumer.

Mash-ups

While, as has been seen from the discussion above, Web 2.0 concepts and technologies often interact and overlap naturally, in some cases they are deliberately combined together into what has become known as a 'mash-up'. Technically, mash-ups are defined as web applications that interactively combine two (or more) separate sources of data to create a value-adding service. Data usually, but not always, flow through an Open API (Application Programming Interface), such as those provided by sites like Amazon, eBay, Flickr, Google, Microsoft, Yahoo and YouTube. Two good examples of general mash-ups are flickrvision.com and twittermap.com, which combine user-generated content, in this case

photos from Flickr and mini-blog posts from Twitter, respectively, and display them geo-spatially on maps provided by Google.

Given that travel is all about location, the potential for mash-ups is clearly enormous. Not surprisingly, the majority of travel mash-ups use Google Maps, combining their own proprietary data with Web 2.0-focused user-generated content in symbiotic applications. Images, movies, sounds, blog entries and user reviews can all be combined on a geo-graphical grid to give a very real sense of what can be experienced in a destination. A very interesting example is the UK Foreign and Commonwealth Office (FCO) website www.gogapyear.com, where it has teamed up with Lonely Planet to create a mash-up dedicated to gap year planning. The site offers text, photographs and podcasts of Lonely Planet tips and FCO country-specific travel advice to users, all easy accessible and categorized geographically. TripAdvisor is using a similar technology, for example on their web page for New York City, which displays reviews of hotels, restaurant and things to do (along with average room rates) on a Google map of the city's streets. Travel companies need to figure out how to leverage these developments and integrate the relevant social media and user-generated content that is being demanded into their sites. The beauty of Web 2.0 developments is that if they do not do it, someone else will, and will capture the customers' attention in the process.

Conclusion

As more and more travellers are turning to online travel communities supported by social media to fulfil their travel-related needs, the impact of online community on individual travellers and tourist destinations cannot be ignored. An online community is place in manifestation, symbolic in nature and virtual in form. It exists in participants' minds. At the operational level, an online community consists of four elements: people performing different roles, purposes providing a reason for the community, policy governing the community and computer systems facilitating people's interaction.

In order to attract potential members to the tourist community and encourage their involvement in the community, providing benefits for community members is of great importance. The benefits of the virtual tourist community to travellers result from the very characteristics that define an online community. People are drawn to a virtual community because it provides an engaging environment in which people can search for and exchange information, form relationships and seek pleasure. Travellers can obtain functional, social, psychological and hedonic benefits from a virtual tourist community through looking for and exchanging travel information and tips, and sharing their travel experiences with and telling their travel stories to other members in the tourist community.

As far as contribution is concerned, efficacy, expectancy, instrumental, quality assurance and gaining status incentives are major factors affecting members' active contribution to virtual tourist communities. Online communities should be developed in such a way that community members can receive rewards for making active contributions to the community. On one hand, travellers cultivate a virtual tourist community for their own benefits. Travellers make contributions to the tourist community for the purpose of seeking travel-related information, controlling products/service quality, making travel transactions and finding travel companions. Moreover, making regular and high-quality contributions to the tourist community can fulfil one's desire for status and prestige. On the other hand, in the process of information exchange and interaction, a sense of obligation occurs as a result of receiving information or help from the information and communication pool sustained by the tourist community, and some people might feel obligated to produce utility for other community members.

It is clear that online communities, Web 2.0 and social media are already having an effect on destination marketing, but the revolution has really only just started. The rise of user-driven online services, including Facebook, Wikipedia and YouTube, has been phenomenal, but this is just the beginning. Both the

technologies themselves and user acceptance of the resulting services are still in an embryonic state. Currently, most businesses – and in particular most travel businesses – are just feeling their way around, experimenting with the technologies and trying to figure out how to use these new media to communicate with, sell to and develop relationships with their customers. The environment is made more challenging by both the rapid pace of development and the way in which social media technologies tend to blend with each other.

As a result, research, particularly empirical research on how the developing phenomenon is affecting travel and destination marketing could also best be described as embryonic. With the exception of the annual ENTER Information and Communication Technology in Tourism conferences (the flagship annual conferences of IFITT, the International Federation for IT and Travel and Tourism; www.ifitt.org), which continue to push the boundaries in this research arena, little is being written on this highly topical and important area. This is clearly an issue that needs to be urgently addressed as, for destinations, understanding definitions is one thing but the more significant questions are how social media affects brand image and what a destination's strategy should be for engaging with it. The scale and speed of innovation demand that they start addressing these questions urgently, but little hard evidence is available from the research community to help guide their actions. While some guidance can be gleaned from other sectors, the specificities of travel distribution discussed earlier may limit its usefulness. Thus, there is a need for travel and tourism researchers to move Web 2.0-related research topics to the top of their research agendas in order to provide guidance for the sector as a whole.

References

Allen, L., Charron, C., Shinder, S., Grimsditch, T. and Shepard, A. (1999) *Cashing in on Community*. Report, September 1999. Forrester Research, Cambridge, Massachusetts. Information available at: http://www.forrester.com/ER/Research/Report/Excerpt/0,1338,7744,FF.html (accessed 24 March 2011).

Amis, R (2007) You can't ignore social media: how to measure Internet efforts to your organisation's best advantage. *Tactics*, May 2007, p. 10.

Armstrong, A., and Hagel, J. III (1996) The real value of on-line communities. *Harvard Business Review* 74(3), 134–141.

Bellman, S., Johnson, E.J., Lohse, G.L. and Mandel, N. (2006) Designing marketplaces of the artificial with consumers in mind. *Journal of Interactive Marketing* 20(1), 21–33.

Blau, P. (1964) *Exchange and Power in Social Life*. Wiley, New York.

Boyd, D. and Ellison, N. (2007) Social network sites: definition, history, and scholarship. *Journal of Computer-Mediated Communication* 13(1), article 11. http://jcmc.indiana.edu/vol13/issue1/boyd.ellison.html (accessed 24 March 2011).

Buhalis, D. (1997) Information technology as a strategic tool for economic, social, cultural and environmental benefits enhancement of tourism at destination regions. *Progress in Tourism and Hospitality Research* 3, 71–93.

Buhalis, D. (2000) Relationships in the distribution channels of tourism: conflicts between hoteliers and tour operators in the Mediterranean region. *International Journal of Hospitality and Tourism Administration* 1(1), 113–139.

Buhalis, D. and O'Connor, P. (2006) Information and communications technology – revolutionising tourism. In: Buhalis, D. and Costa, C. (eds) *Tourism Management Dynamics – Trends, Management and Tools*. Elsevier, Burlington, Massachusetts, pp. 196–210.

Burt, R.S. (1992) *Structural Holes: The Social Structure of Competition*. Harvard University Press, Cambridge, Massachusetts.

Calhoun, C.J. (1980) Community: toward a variable conceptualization for comparative research. *Social History* 5, 105–129.

Carroll, J. and Rosson, M. (2003) A trajectory for community networks. *Information Society* 19, 381–393.

Chatterjee, P. (2001) Online reviews: do consumers use them? In: Gilly, M.C., Myers-Levy, J. and Valdosta, G.A. (eds) *Proceedings of the ACR 2001. Advances in Consumer Research Volume 28*. Association for Consumer Research, Provo, Utah, pp.129–134.

Cothrel, J. and Williams, R. (1999) Online communities: getting the most out of online discussion and collaboration. *Knowledge Management Review* 6, 20–25.

Cox, C., Burgess, S., Sellitto, C. and Buultjens, J. (2008) *Consumer-generated Web-based Tourism Marketing*. Technical Report Series, Cooperative Research Centre (CRC) for Sustainable Tourism Pty Ltd, Gold Coast Campus Griffith University, Queensland.

De Graaf, N.D. and Flap, H.D. (1988) With a little help from my friends: social resources as an explanation of occupational status and income in West Germany, the Netherlands, and the United States. *Social Forces* 67, 453–472.

Dearstyne, B. (2007) Blogs, mashups, & wikis: oh, my! Ready or not, Web 2.0, a new generation of web-based services, is changing the way people work and the way records and documents are created, used, and shared. *Information Management Journal*, 1 July 2007, 25–33.

Dellarocas, C. (2003) The digitization of word-of-mouth: promise and challenges of online feedback mechanisms. *Management Science* 49, 1407–1424.

Dobele, A., Toleman, D. and Beverland, M. (2005) Controlled infection! Spreading the brand message through viral marketing. *Business Horizons* 48, 143–149.

Dwyer, P. (2007) Measuring the value of electronic word of mouth and its impact in consumer communities. *Journal of Interactive Marketing* 21(2), 63–79.

Ellis-Green, C. (2007) *The Travel Marketer's Guide to Social Media and Social Networking*. Hotel Sales and Marketing Association International, McLean, Virginia.

Gretzel, U., Hyan-Yoo, K. and Purifoy, M. (2007) *Online Travel Review Study: The Role and Impact of Online Travel Reviews*. Laboratory for Intelligent Systems in Tourism, College Station, Texas.

Hennig-Thurau, T., Gwinner, K.P., Walsh, G. and Gremler, D.D. (2004) Electronic word of mouth via consumer-opinion platforms: what motivates consumers to articulate themselves on the Internet? *Journal of Interactive Marketing* 18(1), 38–52.

Inversini, A., Marchiori, E., Dedekind, C. and Cantoni, L. (2010) Applying a conceptual framework to analyze Web reputation of tourism destinations. In: Gretzel, U., Law, R. and Fuchs, M. (eds) *Information and Communication Technologies in Tourism 2010*. ENTER: Proceedings of the International Conference in Lugano, Switzerland, 10–12 February 2010. Springer Wien New York, pp. 321–332.

Keates, N. (2007) Deconstructing TripAdvisor. *Wall Street Journal,* 1 June, p. 4.

Kollock, P. (1999) The economics of online cooperation: gifts and public goods in cyberspace. In Marc Smith, and Peter Kollock (eds), *Communities in Cyberspace*. Routledge, London, pp. 220–239.

Laws, E. (1997) *Managing Package Tourism*. Thomson Business Press, London.

Looker, A., Rockland, D. and Taylor-Ketchum, E. (2007) Media myths and realities: a study of 2006 media usage in America. *Tactics*, June 2007, pp. 10, 21–22.

Mazzarol, T., Sweeney, J. and Soutar, G. (2007) Conceptualizing word-of-mouth activity, triggers and conditions: an exploratory study. *European Journal of Marketing* 41, 1475–1494.

Milan, R. (2007) 10 *Things You Can Do in Response to Traveller Reviews.* HOTELMARKETING.COM, September 21, 2007. Available at: http://www.hotelmarketing.com/index.php/content/article/070920_10_things_you_can_do_in_response_to_traveler_reviews/ (accessed 24 March 2011).

Murphy, L., Mascardo, G. and Benckendorff, P. (2007) Exploring word-of-mouth influences on travel decisions: friends and relatives vs. other travellers. *International Journal of Consumer Studies* 31, 517–527.

Nicholas, D., Huntington, P., Jamali, H. and Dobrowolski, T. (2007) Characterising and evaluating information seeking behaviour in a digital environment: spotlight on the 'bouncer'. *Information Processing and Management* 43, 1085–1102.

O'Connor, P. (2008a) Electronic distribution. In: Jones, P. (ed.) *Handbook of Hospitality Operations and IT*. Elsevier Butterworth-Heinemann, Oxford, UK, pp. 139–166.

O'Connor, P. (2008b) User-generated content and travel: a case study on TripAdvisor.com. In: O'Connor, P., Höpken, W. and Gretzel, U. (eds) *Information and Communication Technologies in Tourism 2008*. ENTER: Proceedings of the International Conference in Innsbruck, Austria, 2008. Springer Wien New York, Austria, pp. 61–72.

O'Connor, P. and Frew, A. (2004) An evaluation methodology for hotel electronic channels of distribution. *International Journal of Hospitality Management* 23, 179–199.

Opinion Research Corporation (2008) *Online Consumer Reviews Significantly Impact Consumer Purchasing Decisions*. Opinion Research Corporation, Princeton, New Jersey.

Palmer, A. and McCole, P. (2000) The virtual re-introduction of travel services: a conceptual framework and empirical investigation. *Journal of Vacation Marketing* 6, 33–47.

Poon, A. (1993) *Tourism, Technology and Competitive Strategies*. CAB International, Wallingford, UK.

Preece, J. (2000) *Online Communities: Designing Usability, Supporting Sociability*. Wiley, Chichester, UK.

Puri, A. (2007) The web of insights: the art and practice of webnography, *International Journal of Market Research* 49, 440–453.

Rheingold, H. (1993) *The Virtual Community: Homesteading on the Electronic Frontier*. Addison-Wesley, Reading, Massachusetts.

Scaglione, M., Ismail, A., Trabichet, J. and Murphy, J. (2010) An investigation of leapfrogging and Web 2.0 implementation, In: Gretzel, U., Law, R. and Fuchs, M. (eds) *Information and Communications Technologies in Tourism 2010*. ENTER: Proceedings of the International Conference in Lugano, Switzerland, 10–12 February 2010. Springer Wien New York, pp. 235–246.

Senecal, S. and Nantel, J. (2004) The influence of online product recommendations on consumers' online choices. *Journal of Retailing* 80, 159–169.

Silverman, G. (2001) *Secrets of Word-of-Mouth Marketing*. AMACOM Books, New York.

Smith, D., Menon, S. and Sivakumar, K. (2007) Online peer and editorial recommendations, trust and choice in virtual markets. *Journal of Interactive Marketing* 19(3), 15–37.

Smith, R. (1993) Integrating information from advertising and trial: processes and effects on consumer response to product information. *Journal of Marketing Research* 30, 204–219.

Stryker, S. (1980) *Symbolic Interactionism: A Social Structural Version*. Benjamin/Cummings, Menlo Park, California.

Stryker, S. (1986) Identity theory: development and extensions. In: Yardley, K. and Honess, T. (eds) *Self and Identity*. Wiley, New York.

Sun, T., Youn, S., Wu, G. and Kuntaraporn, M. (2006) Online word-of-mouth (or mouse): an exploration of its antecedents and consequences. *Journal of Computer-Mediated Communication* 11(4), article 11. Available at: http://jcmc.indiana.edu/vol11/issue4/sun.html (accessed 24 March 2011).

Sweeney, J., Soutar, G. and Mazzarol, T. (2008) Factors influencing word of mouth effectiveness: receiver perspectives. *European Journal of Marketing* 42, 344–364.

Tredinnick, L. (2006) Web 2.0 and business: a pointer to the intranets of the future? *Business Information Review* 23, 228–234.

Vaughan, D., Jolley, A. and Mehrer, P. (1999) Local authorities in England and Wales and the development of tourism Internet sites. *Information Technology and Tourism* 2, 115–129.

Walsh, G., Gwinner, K.P. and Seanson, S.R. (2004) What makes mavens tick? Exploring the motives of market mavens' initiation of information diffusion. *Journal of Consumer Marketing* 21, 109–122.

Wang, Y. and Fesenmaier, D.R. (2003) Assessing motivation of contribution in online communities: an empirical investigation of an online travel community. *Electronic Markets* 13, 33–45.

Wang, Y. and Fesenmaier, D.R. (2004) Towards understanding members' general participation in and active contribution to an online travel community. *Tourism Management* 25, 709–722.

Wang, Y., Yu, Q. and Fesenmaier, D.R. (2002) Defining the virtual tourist community: implications for tourism marketing. *Tourism Management* 23, 407–417.

Wikipedia (2008) Web 2.0. Available at: http://en.wikipedia.org/wiki/Web_2.0 (accessed 12 August 2008).

Xue, F. and Phelps, J. (2004) Internet-facilitated consumer-to-consumer communication: the moderating role of receiver characteristics. *International Journal of Internet Marketing and Advertising* 1, 121–136.

Yoo, K. and Gretzel, U. (2009) Comparison of deceptive and truthful travel reviews. In: Höpken, W., Gretzel, U. and Law, R. (eds) *Information and Communication Technologies in Tourism 2009*. ENTER: Proceedings of the International Conference in Amsterdam, The Netherlands, 2009. Springer Wien New York, Austria, pp. 37–47.

15   Events and Destination Management

Graham Brown, Leo Jago, Laurence Chalip,
Shameem Ali and Trevor Mules

_____

Event Tourism

The relationship between events and tourism can be mutually beneficial, but rarely will this be possible without an informed approach to event planning and destination planning. Despite a more sophisticated approach to destination management in recent years, these two activities continue to be treated independently in many places, even those that strive to be positioned as event destinations. This chapter will review the way in which events can influence the destinations which host them. It will then describe the findings of research which focused specifically on events and destination branding – work which was originally published as an article in *Event Management* (Jago *et al.*, 2003).

Events provide consumers with a leisure and social opportunity beyond everyday experience (Jago and Shaw, 1998). The term 'event tourism' was coined in the 1980s, and formalized the link between events and tourism (Getz, 1997). It has been defined as 'the systematic planning, development and marketing of festivals and special events as tourist attractions, catalysts and image builders' (Getz and Wicks, 1993, p. 2). There is global competition to attract major events because of the economic benefits that they bring (Lynch and Veal, 1996) and, by the early 1990s, it was considered appropriate to claim that 'this is

the age of special events' (Janiskee, 1994, p. 100), with event tourism considered to be one of the fastest growing segments of the tourism industry (Backman *et al.*, 1995). This is because events are able to contribute to a city's range of tourist attractions, facilitate media coverage for the destination, and promote awareness of the destination for future visitation. However, a wide range of factors will determine the extent to which these outcomes are achieved.

Events take a wide variety of forms, and significant sections within scholarly texts are devoted to defining the different types of events (e.g. Getz, 2007). Their impacts vary according to factors such as size and duration. Most events are small, of limited duration and create minor, but not necessarily insignificant, impacts. It is very important that any changes that occur are considered in relation to the size of the community that is affected. A modest improvement to make facilities suitable to host an event may dramatically change local attitudes and the image presented to potential visitors. However, it is large events that create the biggest impacts. Mega events – such as the Olympic Games – can be the catalyst for urban development (Essex and Chalkley, 1998; Gold and Gold, 2008; Short, 2008) and the stadiums that are constructed to stage the sporting competitions become symbols that convey national

values, a reflection of how the host country wishes to be seen by the rest of the world. For instance, much has been written about the role of the 2008 Beijing Olympic Games as a vehicle to assist Chinese modernization and integration with the West, including initiatives towards international tourism (e.g. Haugen, 2005; Broudehoux, 2007; Ren, 2008; deLisle, 2009). The ongoing use of stadiums and other new or refurbished facilities represent an event legacy that may become valuable tourism resources. However, this utility must be evaluated in relation to industry needs, operational costs and opportunity costs. Hence, the frequently voiced concerns about the creation of facilities that become 'white elephants', standing idle for much of the year while incurring ongoing maintenance costs and, in some cases, debt repayments.

Destinations need to consider what size of event and associated investment will be best suited to local needs and capacity constraints. The duration of the event is also a significant variable. Some events can be measured in hours, others in months. Expo was held in Shanghai from 1 May to 31 October 2010, and packages that included event tickets being offered by hotels in the city were an example of a direct relationship between the event and tourism. The longer the period over which an event is held, the greater the scope for the destination to benefit from the sense of animation that is created. The transformative power of events means they bring life and excitement to the place where they are held. This benefit is gained by local residents and it is one of the reasons why some types of events receive strong local support. It is also a motive for tourists to schedule their visits when the destination offers the added appeal of the event. However, the crowds and excitement that attract some tourists may repel others. Displacement can occur when tourists decide not to visit a destination that is hosting an event because they wish to avoid the crowds, and believe that accommodation will not be available or only available at inflated prices. Attempts to minimize such negative impacts require suitable planning and appropriate communication with relevant stakeholders and markets.

The timing of events can be another key factor for tourism destinations. Temporal flexibility means that an event can be held at an off-peak time when hotels and other services will benefit from increased visitation. Similarly, the spatial flexibility of events can be used to achieve tourism benefits. Events, and activities associated with them – such as pre-event and post-event tours, competitor training camps and activities organized by event sponsors – can be held in locations that will directly influence the pattern of visitation (Brown, 2007). Once again, appropriate planning and engagement with relevant intermediaries are required for these outcomes to be achieved.

There is a tendency to consider the relationship between single events and tourism but, from a destination perspective, it is important to take account of the mix of events that are hosted throughout the year. In most destinations, events are presented as tourism products on an *event calendar*. Details are included on printed promotional material and feature prominently on websites. Each event may appeal to a different market, and this has implications for the extent to which a destination wishes to attract a diverse range of markets or to be more focused in its offerings. Specialization may be suitable for destinations that are able to use particular events to support an integrated positioning strategy. For instance, surfing events can be held at a beach destination which has competitive wave conditions and a surfing culture reflected by surfing shops, surf schools and board manufacturers. This approach lends itself to communications through specialist media to appeal to a clearly defined market.

Despite the significance of events in influencing destination choice, vacation activities and the timing of travel, little is known about how events can help to brand a destination and, as a result, influence long-term visitation to the destination. However, a study has been conducted in Australia to identify current practices in the use of events to brand destinations. Data were collected through a series of workshops conducted throughout the country which brought together many of the country's leading practitioners in the fields of event management

and destination marketing. It is the results of this research that are discussed later in the chapter.

To date though, most of the research in the field of special events has focused on their economic impact because many events require assistance from government in order to be staged, and justification for assistance is often required in economic terms (Mules, 1998). This approach represents a short-term focus on the impact of staging events, rather than a longer term focus on their capacity to raise awareness of a region for future tourism (Mules and Faulkner, 1996). As a result, the Australian study investigated the practices whereby events are used to influence the branding of a destination. A synthesis was provided of the various methods used by managers of Australian destinations, events and tourism organizations to incorporate events into destination branding. The study sought views regarding critical success factors when using events to help brand a destination and outlined the issues and questions that were considered to be of most concern when seeking to use events in this manner.

The Importance of Branding

Although the importance of brand recognition and brand awareness has been understood for many years, marketers have begun to pay closer attention to the ways in which brands are created, strengthened, changed and maintained (de Chernatony and McDonald, 1996; Keller, 1998). The consumer's perceptions of a brand can play a significant role in the consumer's attitude toward the associated product or service (Mittal *et al.*, 1990) and the consequent decision on whether or not to purchase it (Ambler, 1997). As a result, managers and marketers are beginning to evaluate marketing decisions in terms of the equity that will be imparted to the brand (Park and Srinivasan, 1994; Eagle and Kitchen, 2000). The emphasis is, therefore, on determining the best means to synergize marketing tactics in order to build and create the desired brand image (Keller, 1996; de Chernatony, 2001). From the standpoint of using events in the marketing of a destination, a

focus on branding requires that destination marketers determine how best to build events into their overall marketing strategy. In fact, advocates of brand equity as a basis for marketing decisions would contend that whether or not an event is worth hosting depends on the degree to which it can add value to the destination's overall brand (e.g. Ambler and Styles, 1997; Keller and Aaker, 1997).

A brand is more than the name or symbol that represents a product. The term 'brand' refers to the overall impression that the name or symbol creates in the minds of consumers, including the product's functional and symbolic elements. The brand encompasses the physical characteristics, perceived benefits, name, symbols and reputation of a product (de Chernatony and McDonald, 1996; Keller, 1998). Brand equity refers to the value that brand recognition and position add to the brand through the effect on consumer utility (Park and Srinivasan, 1994; Eagle and Kitchen, 2000) and stakeholder commitment (Duncan and Moriarty, 1997; de Chernatony, 2001).

A strong brand benefits both businesses and consumers. It is valuable for organizations, as strong brands attract loyal customers and solidify stakeholder networks. Once a brand has built a loyal customer base and a solid stakeholder network, it has staying power. Brands with strong consumer loyalties are more likely to win strong distribution support, and are more readily leveraged. A recognizable brand name is perceived by customers to render significant information about a product because it identifies what they are buying. A strong brand adds value to stakeholder relationships by clarifying values and increasing confidence in the relationship.

Destination Marketing

D'Hauteserre (2001) suggests that in today's highly competitive, global, tourism marketplace, tourist destinations suffer more from ignorance of their existence by potential customers than from inefficiencies in management. Destination marketing aims to raise awareness of a destination and increase

visitation by creating a unique brand which positions and differentiates the destination from others. The attributes upon which destinations compete are commonly shared by several destinations, or are easily matched by competing destinations (Henderson, 2000). Consequently, it is critical that destination marketers manage their destination's brand strategically.

Kotler *et al*. (1993) define a destination as a place that incorporates an interconnected and complementary set of attractions, events, services and products which together create a total experience and value proposition to visitors. They suggest that successful destination marketing occurs when each element of the destination's product mix contributes something to the total brand image via complementary styles, demographics or experiential values. Kotler *et al*. (1993) add that to be successful, destinations need to present these factors in a coordinated and consistent offering through careful management of the brand. Although it has been argued elsewhere that integrated marketing communications are necessary if a brand's equity is to be optimized (Keller, 1996; Duncan and Moriarty, 1997), the challenges are particularly acute in the case of destinations because the destination's array of products and services must be brought together under the overall destination brand (Chalip, 2001a). Thus, it must be feasible to integrate the consumer's image of an event into the overall brand of the destination (e.g. Keller and Aaker, 1997).

Integrating consumers' images of an event into the destination's brand is a form of co-branding (Rao and Ruekert, 1994; Simonin and Ruth, 1998; Washburn *et al*., 2000). In this instance, the aim is to link the brand image of an event to the destination's brand in order to increase potential visitors' awareness of the destination and/or to enhance or change the image they have of the destination. Co-branding enjoyed a growth of 40% in the latter years of the 20th century (Spethmann and Benezra, 1994), suggesting that marketers have found it to be a useful tactic for building brand equity. However, the requirements for making effective use of events in destination branding are not well understood.

Research Questions

The Australian study already mentioned addressed the relationship between events and destination branding by identifying current practices in the use of events to help brand destinations. On the basis of the preceding review, the following research questions were formulated:

1. What are the elements that, according to expert practitioners, make events effective or ineffective in building a destination's brand?
2. What particular strategies or tactics seem to enhance the effective use of events in building a destination's brand?
3. Given the current state of practice, what are the areas of uncertainty about the uses of events in destination branding that call for further research?

Method

In order to collect experts' views on the matters raised by these research questions, a series of half-day workshops was held in Queensland (Brisbane), Victoria (Melbourne), South Australia (Adelaide), Western Australia (Perth) and New South Wales (northern NSW and Sydney). The workshops were held in different states in order to explore regional differences in the use of events in destination branding. Participants were invited based on their substantial expertise in the area of interest, as seen by the state tourism organizations and key event agencies that prepared the invitation lists in each region.

Each of the workshops brought together groups of approximately 15 of the country's leading event practitioners and destination marketers to examine the key issues relating to events and destination branding. There were two reasons for inviting participants from the separate domains of event management and destination marketing. The first was to gain a greater appreciation of their different perspectives. The second was to allow the two perspectives to interact in a manner that would highlight points of difference and matters of uncertainty (perhaps calling for further research).

At each workshop, the number of participants working as destination marketers slightly exceeded the number of event practitioners. Destination marketers were generally public sector employees working for state or local government. The event practitioners at the workshops covered the spectrum of events from small to very large, and included both private operators as well as those employed by state-funded event agencies.

Workshop structure

The half-day workshop format was the same at all locations. The design combined protocols of brainstorming, dialectical decision making and nominal group technique, as described by Chalip (2001b). Each included the following phases: icebreaker, introduction, priming, idea sharing, idea synthesis, specialist group discussion, synthesis and conclusion. This format was chosen to encourage individuals to express their views on the subject based on their own particular experiences, and to provide the opportunity for differing viewpoints to be brought forward and discussed. The workshop format also provided opportunities for issues to be discussed in greater depth, so that by the end of the day's proceedings, the key issues had been identified.

To encourage workshop participants to reflect upon their experiences, the priming phase required them to work individually. Each was asked to think of three or four events that, in their opinion, had contributed to the 'branding, image, or marketing' of the destinations at which the events were held. Attendees were then asked to think of three or four events which have not contributed to the 'branding, image or marketing' of the host destination. They were also asked to list the reasons that, in their view, each event had, or had not, contributed to the branding of the destination.

Small groups were formed for an idea-sharing phase, the aim of which was to further encourage discussion of the ideas generated in the priming phase. Group discussions focused on the reasons that events had an impact on the branding of the destinations, and considered reasons why some events had not had an impact. After the idea-sharing phase, all workshop participants came together to synthesize the findings of the breakout groups.

It was anticipated that based on the demands of their particular employment domain, the two groups – event managers/marketers and destination managers/marketers – would have different views about some of the issues raised. As a result, a specialist phase was incorporated in which the groups were divided, and participants from the two domains were encouraged separately to offer honest assessments of topics based on their occupational experience. During this phase, each group discussed a series of questions pertinent to its employment domain.

Questions asked of destination managers covered the factors that they consider to be important when selecting an event for their destination, how they build events into their marketing mix, what they consider would help make events more effective tools for promoting and branding their destination, and what needs to be done so that the necessary tasks can be successfully undertaken. Questions asked of event managers covered those aspects of a destination's image that were important to them when choosing a destination for an event, the working relationships they have with destination managers, the roles that destinations can play in making events successful, and whether events should be used to change or enhance a destination's brand. In the synthesis phase, the two groups joined together to discuss the issues raised by each in the specialist phase. The workshops concluded with a review of the key issues raised, and a discussion of the issues requiring further research.

Data gathering

Each of the workshops was facilitated using the standard protocols for group decision making and problem solving (Chalip, 2001b). A facilitator was appointed to each specialist group, and this discussion was recorded by a

note taker. Records from breakout and full group discussions provide the basis for the workshop report.

Results

By the end of each workshop, participants had typically reached some consensus about the key facilitators and barriers when using events in destination branding. Workshop attendees felt that, in general, events can play a useful role in helping to brand destinations. Although they were not generally able to articulate specific questions for future research, they were able to describe realms of uncertainty that require research.

There were negligible differences among the regions regarding how events can help to brand destinations. Differences were merely in terms of the degree of emphasis given to particular points, rather than in terms of the points themselves. Regional differences did not affect the overall conclusions to be derived from the workshops, as the most highly regarded and frequently mentioned issues were the same in all destinations. These had to do with the importance of local community support for events, and the need for a good strategic and cultural fit between events and destinations.

Each workshop also explored reasons that some events have not been used successfully to help brand destinations. In general, the reasons for lack of success were phrased in terms of the absence of critical success factors. Consequently, the following presentation focuses on the factors that were deemed to be critical for successful utilization of events in destination branding.

Workshop participants described a number of issues that play a role in the successful use of events in destination branding. For the purpose of this study, and for future research, the most commonly mentioned issues have been grouped into themes. The two most important and frequently mentioned themes were: (i) the need for local community support, and (ii) the need for a good strategic and cultural fit with the destination. Other themes that emerged were: (iii) the need for an event

to be differentiated from others, (iv) the longevity or tradition of the event at the destination, (v) cooperative planning among key players, and (vi) media support of the event. It was also noted that there can be some synergy among the events in a destination's portfolio. In particular, it was noted that events which seem comparatively small in scale can build the social capital and human infrastructure of a destination in a manner that helps to build the destination's brand, and which thereby enables the successful utilization of larger events.

The six themes outlined above represent bases for planning and evaluating the utility of a particular event in destination branding. Each then becomes a basis for considering the event's utility with reference to the overall portfolio of events at the destination. That utility is also a basis for evaluation and planning. The planning and evaluation model is illustrated in Fig. 15.1.

Each of the six themes is described below. Media coverage and the matter of portfolio development are then considered. Following that, participants' views about the uses of events in helping to change a destination's brand (as opposed to merely enhancing or strengthening an existing brand) are presented. Means to enhance the use of events in destination branding, and matters in need of further research are then described.

Community support for event

Workshop participants considered local community support to be the most important factor in determining the success of an event in branding a destination. Community involvement at every stage of planning was seen as vital to creating a sense of ownership and pride in the event among the members of the community. To be truly successful, it was felt that there needs to be a sense of excitement and occasion in the local community. Strong financial outcomes for the local business community from the event were also considered important, as these could lead to partnerships and further support from within the local business community.
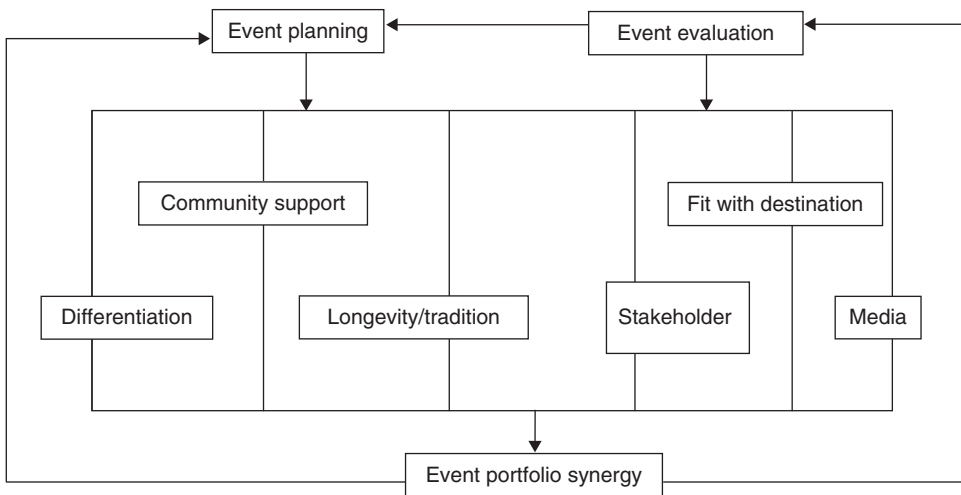
Fig. 15.1.   Derived model for planning and evaluating an event's contribution to a destination's brand (Adapted from Jago *et al.*, 2003).

The success of many events is heavily dependent upon local communities in that event patronage is usually dominated by local residents (Crompton and McKay, 1997; Getz, 1997). Participants noted that members of the local community need to be advocates for the event and the branding of the destination. It was suggested that there is an element of 'image and brand' involved with successful events and local communities. If local people see themselves as an integral part of the event and are interested in the event, their support will have a positive effect on the way that visitors view the event and the destination. Volunteers during the Sydney Olympics were given as an example of community support that was sufficiently salient to contribute a 'friendly' dimension to the event, and consequently to the destination's brand.

Lack of community support was also seen as a major reason for the failure of events in helping to brand destinations. The Australian Festival of Chamber Music in Queensland was given as an example of an event that, owing to its lack of community support, was not successful in achieving positive destination branding. The event, which was specifically marketed to visitors from outside the region, has been remembered as a failure. The community was not proud of the festival and

did not support it. As a result, images of the event and destination have been somewhat tarnished.

Cultural and strategic fit of the event with the destination

Workshop participants frequently noted that an event must have a good cultural and strategic fit with a destination and its community if it is to play a positive role in branding the destination. It was suggested that fit needed to be obtained across several dimensions, including values, the culture of the event (and its attendees), and the destination's physical and communications infrastructure (whether existing and proposed). Because a brand reflects values, culture and infrastructure, it was argued that the event's values, culture and requisite infrastructure need to be consistent with those that the community seeks to communicate through its brand.

The Brisbane Festival was given as an example of an event that failed to positively brand the destination because it did not reflect the local spirit. Pitched to the 'arts elite', the marketing of the event was seen to discourage local attendance. As a result, local people were reticent in supporting it. This

event was compared with the Adelaide Festival, which was seen to successfully reflect some of Australia's cultural values, and successfully contributed to Adelaide's branding.

Participants felt that cultural and strategic fit need to be ascertained with reference to the way a community sees itself and wants to be seen by others, rather than with the way that others currently view it. It was noted that some events are successful in positively reshaping a destination's brand precisely because they convey images and values that are different from those associated with the destination, but that are consistent with what and how the destination seeks to be perceived. The Woodford Folk Festival in Queensland was given as an example of this phenomenon, as it has changed Woodford's image from that of a prison town to one that runs a successful cultural event.

It was suggested that recurring events generally rely heavily on the community, and thus may need to have an even closer fit with the community and destination than is required for larger events that may occur only a single time at the destination. Nevertheless, participants also pointed out that event owners award events to destinations for which there is a good fit between the event and the destination's attributes. Thus, the necessity of a fit between the community and the event is two-way: it is necessary for the event to contribute to the destination's brand, and it is necessary for the destination to contribute to the event's own brand.

A point of event differentiation

Participants pointed out that events play a particularly useful role in destination branding when they help the destination to differentiate itself from others. In this way, the destination's product mix and the resulting benefits that the destination can offer are differentiated from those of other destinations. This could occur through the specific and unique benefits afforded to event visitors, or through the added name recognition and consequent cachet that an event affords to a destination.

It was noted that event visitors may choose to attend events (or visit events in subsequent years) as a consequence of the unique benefits that an event provides. It was suggested that the benefits obtained by visitors could be financial, cultural, experiential, entertainment or social. Thus, events could differentiate themselves and the host destination across an array of different facets. However, it was also observed that very little is known about the particular benefits that visitors seek or obtain from events, which event elements render or inhibit particular benefits, or how those benefits become associated with the host destination's brand. Event managers and destination marketers felt that these topics warrant further research.

Longevity/tradition of the event

The need for an event to be 'ongoing' in order to deliver branding benefits to a destination was frequently identified as important by workshop participants. Longevity and tradition were seen to reinforce the branding effect by adding saliency and profile. The Melbourne Cup was noted by a number of groups as a good example. It was seen not only as Australia's oldest hallmark event, but also as one that involves the community, has developed integrity over time and reflects 'the Aussie fun loving character'.

Although it was often mentioned, longevity was not rated highly in group discussions. This seems to have been the result, in part, of the successful contribution that a number of one-off events have made to destination branding, such as the Sydney and Melbourne Olympics, the Brisbane Expo, the Brisbane and Melbourne Commonwealth Games and the America's Cup in Fremantle. These events are large, high-profile events that brought with them a great deal of profile and tradition. Thus, although the event might only occur once at a destination, it can still provide benefit to the destination's brand through the profile and tradition that it brings.

None the less, participants did feel that longevity at a particular destination is important in order for an event to become

synonymous with its destination. It was suggested that an event could make a particularly useful contribution to branding a destination if it were tied to the same destination for 5–10 years. The Sydney–Hobart Yacht Race was noted as a particularly good example, having been held for more than 50 years and linking one event with two destinations. The timing of the event enhances the impact, as it commences on the Boxing Day holiday every year, which further increases the anticipation.

Workshop participants pointed out that events must be financially sustainable in order to survive long enough to contribute successfully to a destination's brand. Consequently, each event must first be sufficiently appealing to the aficionados who are the event's primary market. Only then can an event establish itself in a manner that contributes to the destination's brand.

Cooperative event planning

Workshop participants felt that the successful use of events in destination branding requires cooperative planning and coordination among key players, including event managers, destination marketers and the destination's government event organization. Cooperative planning was also seen to be necessary to ensure that facilities and access to destinations were adequate, and that cooperative marketing was obtained. This contention is consistent with other work on branding, which recommends stakeholders' cooperation and integrated marketing communications (Duncan and Moriarty, 1997; Keller, 1996; de Chernatony, 2001).

When asked how the working relationship between event managers and destination marketers could be made more effective, it was suggested that members of the two employment domains need to put aside their independent agendas and work more cooperatively in the planning and implementation of events. The size of a destination was seen to be a factor that may influence how well organizations work together when staging an event, with organizational cooperation seen

to be more probable in small rural towns, perhaps as the result of a greater degree of cooperative spirit. Nevertheless, it was argued that integration between event management and destination marketing is essential for events to make an optimal contribution to the destination's brand, regardless of the size of the host community.

Media coverage of an event

The media's positive support for events and destinations was mentioned as a factor that can have a substantial impact on the degree to which an event contributes to a destination's brand. To some degree, this was understood to be a function of event size, with larger events generating a greater degree of media attention, and many small events obtaining little or no attention beyond the host community. However, event images and mentions are not limited to event publicity. They can also be incorporated into media, including advertising, that the destination produces itself. Thus, the media value of an event needs to be understood in terms of the reach and frequency of event publicity, as well as in terms of the potential utility of event images and mentions in advertising and related media that the destination produces itself.

The event portfolio

Workshop participants pointed out that it is rare for a single event to have a noticeable effect on a destination's brand. Rather, they observed that the entire portfolio of events at a destination needs to be considered in order to build the destination's brand. Thus, each of the factors noted in the themes above needs to be assessed with reference to the full scope and quality of events at the destination.

In order for events to contribute to the destination brand, their application to destination branding needs to be developed through an integrated strategy. It was noted, for example, that Melbourne and Brisbane have positioned themselves as event capitals.

However, the two cities were seen to have taken different strategic paths, though both have used events successfully. Melbourne's diverse calendar of events is itself a major contributor to the destination's brand, and the city's emphasis on its range and volume of events has worked well. Conversely, Brisbane has sought to rationalize its event promotions by encouraging smaller festivals to group together and make use of cooperative marketing opportunities – a strategy that also seems to have been effective.

Participants felt that smaller events which might not otherwise contribute to a destination's brand can contribute to the destination's capacity to host other events, and enhance the quality of larger events. It was noted that successful local events can create a positive community attitude towards events, and may also help to develop event management expertise and an experienced pool of event volunteers. Each of these can contribute to the quality of larger events, thereby improving the quality of impact that those events have on the destination's brand. In effect, smaller events may contribute indirectly to a destination's brand by adding to the destination's social and human capital.

Similarly, small local events that occur as augmentations to larger events can build local identification with the larger event, and can thereby enhance the quality of that event's impact on the destination brand. The many local events that make up the Gold Coast's Indy Carnival during the lead-up to the Honda Indy 300 race day are an example of event augmentations that create a local atmosphere which contributes to the destination's brand. Small local events can similarly contribute to events that are merely regional in scope. One participant from northern Queensland described a rodeo event that plays an important role in her town's development of its regional brand. Local interest in the event was enhanced by creating opportunities for locals to participate at the same time in complementary arts events, such as a photo contest, which are themed with the rodeo. Event augmentations of this kind strengthen local support for the rodeo, and enhance the destination's look and feel during the rodeo. This, in turn, enhances the impact that the event has on the destination's regional brand.

Changing or enhancing a destination's brand

The general focus of participants' observations in the workshop had to do with the uses of events to enhance or strengthen a destination's existing brand. In order to determine how events might be used to change a destination's brand, participants were asked to consider that matter specifically. The consensus of workshop participants was that it is appropriate to use events to change a destination's brand, but only if the initiative is led by the community and is not something that is imposed upon it. Respondents added that, if planned well, and with the full backing of the community, an event may lead to new opportunities for the community and might help the community to develop a greater appreciation of itself.

Participants' emphasis on community leadership when using events to change a destination brand is consistent with their view that there needs to be a cultural and strategic fit between the event and the destination. In fact, they felt that the same factors that were identified as requisites for events to contribute to a destination brand are also required when events are used to change a destination's brand. They also suggested that an event's role in changing a destination brand is facilitated when an event affects a community's appreciation of itself. Events were also seen to be particularly beneficial if a destination seeks to develop infrastructure, enhance its saleability and 'can do' image, or inject life back into itself. Queensland's Woodford Folk Festival was noted as an example of an event that has successfully enhanced a destination's brand, and that has done so in an appropriate way. As noted already, before initiation of the event, the destination was synonymous with the Woodford Prison. However, the festival is now so popular with the community and visitors that it has caused the destination's image to change from a negative to a positive one.

Making events more effective tools for destination branding

The factors represented by the six themes that have been addressed were thought to be essential for events to contribute to a destination's brand. However, participants also noted that there are a number of related factors that can enhance the effect of events on a destination's brand. The most important were: building an event 'beyond time' in order to capitalize on tourism to the destination over the long term; building events around community values; ensuring a better fit with the local image; and ensuring that signage and imagery are consistent with the destination's other efforts to market itself to the same target markets. Participants noted that destination managers are often not clear about what they want to achieve from events with respect to their destination. If events are to be effectively and appropriately incorporated into a destination's branding strategy, then there needs to be a clear vision for the ways that the event fits into an integrated marketing communications campaign for the destination.

The need to build an event 'beyond time' became a matter for focused attention at the workshops. Building an event 'beyond time' refers to the legacy that an event provides. From the standpoint of branding, the key issue is the ways that the event becomes part of advertising and promotions designed to encourage long-term visitor demand for the destination. Examples raised by workshop participants included the Brisbane Expo, the Brisbane Commonwealth Games and the Sydney Olympics, which demonstrated to the world that Australia is a safe destination that can host large events. Brisbane workshop participants stated that major events like the Commonwealth Games and Expo helped Brisbane to 'grow up' from a country town to a city that enjoys (and is proud of) its modern and sophisticated facilities and tourist attractions. Participants added that the latter two events also had a huge impact on the local culture, generating new nightlife and providing opportunities for local people to experience other cultures.

Workshop participants also noted that it can be useful to attach the destination's name to the event title. This is comparable to an event naming right, and is a practice that is used widely and successfully. Examples deemed successful by workshop participants include the Melbourne Cup, the Sydney–Hobart Yacht Race and the Port Fairy Folk Festival.

Issues Raised for Further Research

A number of issues were raised by workshop participants as worthy of further research. They felt that the matter most vitally in need of future research is identification of those elements that make an event attractive, and which thereby bring visitors to the destination. This research would identify the elements that make one event more desirable than another (e.g. sources of social value, financial reward, entertainment value), and would identify how those attributes can be measured. The research would provide destination marketers with information to assist them in selecting, managing and setting goals for events as part of their brand strategy.

The linkages among community, event and destination brand also require further investigation. For example, means to enhance an event's legacy by building it 'beyond time' need to be identified and explored. This includes maximizing the promotional benefits of an event over the long term – not merely for event visitors, but in terms of the ways that the event affects the local community's perception of itself, and the ways that a community self-perceptions are transferred to the destination's image.

There was substantial discussion among participants about the benefits of recurring events versus larger one-off events. It was suggested that the matter of community fit was more important for recurring events than for one-off events, but the degree to which that might be true needs to be established through research. The particular challenges of using one-off events versus recurring events in destination branding also need to be examined. In this context, it was noted that mega events should be considered separately

from other one-off events. It was observed that the imagery, branding and media interest in the world's mega events – such as the Olympic Games, America's Cup, and Expo – put them into a separate category, particularly in terms of their probable effect on a host destination's brand.

Finally, it was noted that there is more to using events in building a destination's brand than merely hosting a good event. More work needs to be done to identify the best means to link the event's brand to that of the destination. The best ways to use and to target event visuals and event mentions – both during the event and at other times – need to be identified.

Discussion

The findings discussed here suggest that the quality of an event's impact on destination brand depends, at least in part, on the quality of the event. This finding has some intuitive appeal insomuch as the act of hosting causes the event's brand to be associated with that of the host destination. However, it might also be argued that event quality is at best a necessary but an insufficient basis for building the destination's brand. The impact will depend not merely on event quality, but on how the event is built into the destination's overall marketing communications strategy (Chalip, 2001a).

The workshop participants' focused concentration on event quality reflects the generally weak integration of event marketing with destination marketing. Participants resorted to reflections about event quality when they found it difficult to articulate specific uses of events in destination branding. In fact, it was not uncommon for destination marketers and event marketers to comment on the separation of their respective tasks and daily activities. As a consequence, event marketing and destination marketing have been treated in practice as separate (albeit not independent) realms. This separation and its consequences highlight two vital research needs. The first is institutional: the need to identify means to better link the roles, strategies and activities of destination marketing with the roles, strategies and activities of event marketing. The second has to do with marketing tactics: the need to identify the most effective integration of event marketing with destination marketing – not merely during the event itself, but also before and after the event is held.

The key themes raised by participants are themselves worthy of further investigation. Certainly more needs to be done to examine the effects that events have on the community, as well as the effects that events can have on a destination's brand. Participants made a strong point of the vital links between a community and its events. While community support was seen to be vital, it was also clear that events can affect residents' perceptions of their community. However, it is inappropriate to regard communities as homogeneous and it is important to gain more understanding of the reasons why some events cultivate support from some local groups while at the same time attracting apathy or hostility from others. It is encouraging that recent research is starting to examine the potentially enduring psychological impacts of events associated with concepts such as place identity (e.g. Hixson, 2010).

Events can also affect the human capital that communities can deliver to future event production. Thus, the effect of events on destination brands is both direct and indirect. There is the direct effect rendered through media and word of mouth, and there is the indirect effect, which is a consequence of the event's impact on the community itself. In a sense, events are not merely stories that host destinations tell to the world; they are also stories that host destinations tell to themselves. This, in turn, may affect the ways that destinations present themselves to the world, even beyond the time of the event. How that impact ramifies and how to optimize its outcomes require further study.

The ways in which any particular event affects local perceptions of the host community, visitors' perceptions of the destination, or mediated positioning of the destination brand will depend on other events that the destination hosts. The brand is created not

merely through a single piece of the product mix, but via the sum total of messages that are built from the entire product portfolio (de Chernatony and McDonald, 1996; Keller, 1998). Consequently, future work on the role that events play in any particular destination brand should consider each event in the context of others that the destination hosts. As events with merely a local audience may have an effect on local perceptions, and thereby on the image that the community projects, the synergies among events – whether their markets are local, regional, national or international – need to be considered.

Synergies also need to be understood in terms of the ways that contemporaneous events at the same destination do and do not augment one another. The market segments that are reached and the images of the destination that they obtain will be affected by the mix, and not merely by the individual elements (Chalip, 1992). Like the Gold Coast's Indy Carnival, events that co-occur can coalesce to become a single entity. To date, very little is known about how these complementarities function, and even less about how to use them (Garcia, 2001). More work is needed to explore event augmentations, their role in differentiating events (Green, 2001), and their consequent effects on destination brand.

From a branding perspective, one of the key values that events have is the media that they can generate for the destination. Yet very little is known about the kinds of mentions and images that events generate in source markets, and even less is known about the most effective ways to build event mentions and images into the destination's marketing communications. Work is needed to map the nature of coverage that host destinations obtain in event media, and to identify the effects (if any) that these event media have on audience perceptions of the destination. Similarly, work is needed to identify the best ways to reference or highlight events in destination advertising and promotions.

Studies like those recommended here have a clearly practical utility. As more is learnt about the roles and uses of events in destination branding, the more effective will become destination marketing. However, the study of events and destination branding also has fundamental scholarly value. The linkage between events and their host destinations is a form of co-branding (Rao and Ruekert, 1994; Simonin and Ruth, 1998; Washburn *et al.*, 2000). By learning how the event's brand and the destination's brand affect one another, more will be learnt about the ways that people come to encode (and thus make sense of) their world.

References

Ambler, T. (1997) How much of brand equity is explained by trust? *Management Decision* 35, 283–292.

Ambler, T. and Styles, C. (1997) Brand development versus new product development: toward a process model of extension decisions. *Journal of Product and Brand Management* 6, 222–234.

Backman, K., Backman, S., Uysal, M. and Sunshine, K.M. (1995) Event tourism: an examination of motivations and activities. *Festival Management and Event Tourism* 3(1), 15–24.

Broudehoux, A.M. (2007) Spectacular Beijing: the conspicuous construction of an Olympic metropolis. *Journal of Urban Affairs* 29, 383–399.

Brown, G. (2007) Sponsor hospitality at the Olympic Games: an analysis of the implications for tourism. *International Journal of Tourism Research* 9, 315–327.

Chalip, L. (1992) The construction and use of polysemic structures: Olympic lessons for sport marketing. *Journal of Sport Management* 6, 87–98.

Chalip, L. (2001a) Sport and tourism: capitalising on the linkage. In: Kluka, D. and Schilling, G. (eds) *The Business of Sport. Perspectives: The Multidisciplinary Series of Physical Education and Sport Sciences, Volume 3*. Meyer and Meyer Sport, Oxford, UK, pp. 78–89.

Chalip, L. (2001b) Group decision making and problem solving. In: Parkhouse, B.L. (ed.) *The Management of Sport: Its Foundation and Application*, 3rd edn. McGraw-Hill, Boston, Massachusetts, pp. 93–110.

Crompton, J. and McKay, S. (1997) Motives of visitors attending festival events. *Annals of Tourism Research*, 24, 425–439.

de Chernatony, L. (2001) *From Brand Vision to Brand Evaluation: Strategically Building and Sustaining Brands*. Butterworth-Heinemann, Oxford, UK.

de Chernatony, L. and McDonald, M.H.B. (1996) *Creating Powerful Brands*. Butterworth-Heinemann, Oxford, UK.

deLisle, J. (2009) After the gold rush: the Beijing Olympics and China's evolving international roles. *Orbis* 53, 179–204.

D'Hauteserre, A. (2001) Destination branding in a hostile environment. *Journal of Travel Research* 39, 300–307.

Duncan, T. and Moriarty, S. (1997) *Driving Brand Value: Using Integrated Marketing to Manage Profitable Stakeholder Relationships*. McGraw-Hill, New York.

Eagle, L. and Kitchen, P. (2000) Building brands or bolstering egos? A comparative review of the impact and measurement of advertising on brand equity. *Journal of Marketing Communications* 6, 91–106.

Essex, S.J. and Chalkley, B.S. (1998) The Olympics as a catalyst of urban change. *Leisure Studies* 17, 187–206.

Garcia, B. (2001) Enhancing sport marketing through cultural and arts programs: lessons from the Sydney 2000 Olympic arts festivals. *Sport Management Review* 4, 193–219.

Getz, D. (1997) *Event Management and Event Tourism*. Cognizant Communication, New York.

Getz, D. (2007) *Event Studies. Theory, Research and Policy for Planned Events.* Elsevier, Oxford, UK.

Getz, D. and Wicks, B. (1993) Editorial. *Festival Management and Event Tourism* 1(1), 1–3.

Gold, J.R. and Gold, M.M. (2008) Olympic cities: regeneration, city rebranding and changing urban agendas. *Geography Compass* 2, 300–318.

Green, B.C. (2001) Leveraging subculture and identity to promote sport events. *Sport Management Review* 4, 1–19.

Haugen, H.O. (2005) Time and space in Beijing's Olympic bid. *Norwegian Journal of Geography* 59, 217–227.

Henderson, J. (2000) Selling places: the new Asia-Singapore brand. *Journal of Tourism Studies* 11(1), 36–44.

Hixson, E. (2010) The festival state: differing perspectives on the role of events. Paper presented at the Global Events Congress IV: Festivals & Events Research: State of the Art, Incorporating the 8th AEME Events Management Educators' Forum, Leeds Metropolitan University 14–16 July 2010.

Jago, L. and Shaw, R. (1998) Special events: a conceptual and differential framework. *Festival Management and Event Tourism* 5, 21–32.

Jago, L., Chalip, L., Brown, G., Mules, T. and Ali, S. (2003) Building events with destination branding: insights from experts. *Event Management* 8, 3–14.

Janiskee, R. (1994) Some macroscale growth trends in America's community festival industry. *Festival Management and Event Tourism* 2(1), 10–14.

Keller, K.L. (1996) Brand equity and integrated marketing communications. In: Jeri, M. and Ester, T. (eds) *Integrated Marketing Communications*. Lawrence Erlbaum Associates, Mahwah, New Jersey, pp. 103–132.

Keller, K.L. (1998) *Strategic Brand Management: Building, Measuring, and Managing Brand Equity.* Prentice Hall, Upper Saddle River, New Jersey.

Keller, K.L. and Aaker, D.A. (1997) *Managing the Corporate Brand: The Effects of Corporate Marketing Activity on Consumer Evaluations of Brand Extensions*. Marketing Science Institute, Cambridge, Massachusetts.

Kotler, P., Haider, D.H. and Rein, I. (1993) *Marketing Places: Attracting Investment, Industry, and Tourism to Cities, States, and Nations*. Free Press, New York.

Lynch, R. and Veal, A. (1996) *Australian Leisure.* Addison Wesley Longman Australia, South Melbourne, Victoria.

Mittal, B., Ratchford, B. and Prabhakar, P. (1990) Functional and expressive attributes as determinants of brand attitude. *Research in Marketing* 10, 135–155.

Mules, T. (1998) Taxpayer subsidies for major sporting events. *Sport Management Review* 1, 25–43.

Mules, T. and Faulkner, B. (1996) An economic perspective on special events. *Tourism Economics* 2, 107–117.

Park, C.S. and Srinivasan, V. (1994) A survey-based method for measuring and understanding brand equity and its extendibility. *Journal of Marketing Research* 31, 271–288.

Rao, A.R. and Ruekert, R.W. (1994) Brand alliances as signals of product quality. *Sloan Management Review* 36(1), 87–97.

Ren, X. (2008) Architecture and nation building in the age of globalization: construction of the national stadium of Beijing for the 2008 Olympics. *Journal of Urban Affairs* 30, 175–190.

Short, J.R. (2008) Globalization, cities and the summer Olympics. *City* 12, 322–340.

Simonin, B.L. and Ruth, J.A. (1998) Is a company known by the company it keeps? Assessing the spillover effects of brand alliances on brand attitudes. *Journal of Marketing Research* 35, 30–42.

Spethmann, B. and Benezra, K. (1994) Co-brand or be damned. *Brandweek* 35(45), 20–25.

Washburn, J.H., Till, B.D. and Priluck, R. (2000) Co-branding: brand equity and trial effects. *Journal of Consumer Marketing* 17, 591–604.

16 Collaborative Destination Marketing: Principles and Applications

Youcheng Wang

Introduction

The development of tourist destinations has increasingly focused on a collaboration and community approach (Grangsjo, 2003; Wang and Fesenmaier, 2007). Wood and Gray (1991) argue that collaboration occurs when a group of autonomous stakeholders of a problem domain engage in an interactive process, using shared rules, norms and structures to act or decide upon issues related to that domain. Collaborative destination marketing arrangements in the tourism industry involve a number of stakeholders (both public and private) working interactively on a common issue or problem domain through a process of exchange of ideas and expertise, and pooling of financial and human resources (Vernon *et al.*, 2005). Such collaborative marketing activities can be conducted in various forms and by focusing on different areas. Examples of collaborative destination marketing may include joint promotion campaigns, participating in cooperative programmes for trade shows and advertising, organizing familiarization tours to travel agents and tour operators, sharing information and market intelligence, and contributing to destination events, among others. Bramwell and Lane (2000) argue that by combining knowledge, expertise and capital resources, collaborative strategy can produce consensus and synergy,

leading to new opportunities, innovative solutions and a greater level of effectiveness, which would not have been achieved by the partners acting alone.

Previous studies have shown the advantages of promoting a tourist destination by involving the relevant tourism businesses in the production and marketing of tourist products at the destination (Palmer and Bejou, 1995; Buhalis and Cooper, 1998; Weaver and Opperman, 2000; Fyall and Garrod, 2004). However, the concept of collaborative destination marketing has been challenged by two factors that make the creation of the necessary inter-community cooperation and collaboration a complex and difficult process. First, the destination marketing task is characterized by the fragmented nature of the tourism stakeholders who are responsible for the components of the total offer (Jamal and Getz, 1995; Saxena, 2005). Secondly, no single agency can control and deliver a rich combination of tourism product and service portfolio at a destination (Bramwell and Lane, 2000; Prideaux and Cooper, 2003). As a result, most tourism products at a destination have been marketed and sold in the marketplace in bits and pieces by a variety of individual suppliers (Gunn, 1988; Laws, 1995). However, it has been recognized that destination marketing and promotion, if done individually and independently by various tourism

© CAB International 2011. *Destination Marketing and Management*
(eds Y. Wang and A. Pizam)   259

stakeholders, is not conducive to developing a holistic image of the destination and so does not enable the destination to succeed in the long run (Grangsjo, 2003; Fyall and Garrod, 2004). In an increasingly competitive marketplace, the ability to create greater levels of awareness of the destination through collaborative efforts provides an important competitive advantage for a destination (Palmer and Bejou, 1995).

In this respect, the interdependency of organizations involved in marketing and promoting the tourism destination provides a basis for the development of co-marketing alliances and networks. This arises from recognition and understanding of the fact that the success of each organization in the destination depends in part on other organizations, and that two or more of them can collectively achieve more than the sum of each individual's own efforts. While companies in the manufacturing industry have a long history of collaborating to add value and/or reduce costs of the final product, collaboration among tourism organizations at the same level of a value-added network has become increasingly important. Thus, there is a need to create a means of bringing the tourism industries together for the common purpose of tourism destination marketing through collaboration, so that these stakeholders can be united in their willingness to treat the destination as a single entity and to help build a strong tourism economy.

Despite the significance and benefits of collaborative destination marketing, adequate attention has yet to be given to this topic, either from a practical or theoretical perspective (Fyall and Garrod, 2004; Vernon *et al.*, 2005). The literature on inter-organizational relationships and strategic alliances in general, and on co-marketing alliances and networks in particular, has used different theoretical paradigms to approach the issue, such as resource dependency theory (Pfeffer and Salancik, 1978), transaction cost economics (Williamson, 1975), strategic management theory (Prahalad and Hamel, 1990) and networking theory (Granovetter, 1985; Gulati, 1998). However, owing to the uniqueness of collaborative destination marketing, none of the above commonly used theoretical paradigms can

single-handedly explain tourism inter-organizational relationships. The structure of the tourism industry and the complexity of destination marketing calls for an integrative approach in order to understand the nature and dynamism of collaborative destination marketing. This chapter intends to propose a theoretical framework for examining collaborative destination marketing that brings together a diverse range of stakeholders in a concerted effort to market and promote the destination. First, a theoretical framework using an integrative approach for destination marketing is proposed and elaborated; this includes an array of important issues in collaborative destination marketing such as preconditions, motivation, the process and outcomes of collaboration. The chapter further examines the roles and strategies of destination marketing organizations (DMOs) in destination collaboration efforts, followed by an analysis of strategic relationship configurations within the tourism industry in a particular destination and the driving factors for this. The chapter concludes by discussing the practical implications regarding a collaborative approach in destination marketing, and directions for future research in this area.

Collaborative Destination Marketing: An Integrative Framework

It is posited that an integrative approach should be used to explain the behaviour of tourism organizations in forming marketing alliances and networks. Following Wood and Gray (1991), and based on multiple interviews at two destinations in the USA, a conceptual framework is developed in order to extend the theory of collaboration to collaborative destination marketing and guide research centred on the key issues related to its process of formation (see Fig. 16.1). This conceptual framework is defined by four major constructs with the emphasis on the nature and dynamics of collaborative destination marketing. These include: (i) the precondition construct which delineates the economic, social and environmental conditions for alliance and network formation; (ii) the motivation construct which explains

PRECONDITION	MOTIVATION	STAGES					OUTCOMES

PRECONDITION

Economic condition

Crisis or major event

Organization support

Changing demands of tourists

Organizational support

Technology support

MOTIVATION

Strategy oriented
Expand market and product portfolio
Maintain competitiveness

Transaction cost oriented
Efficiency
Economic scale and scope

Learning oriented
Expand capability
Broaden knowledge base

Cluster competitiveness
Create value by complementarity
Provide holistic experience

Community responsibility
Meet social expectation
Obtain credibility and legitimacy

STAGES

Assembling
Issue identification
Partner selection

Ordering
Establish goals
Develop programme

Implementation
Assign roles
Execute programme

Evaluation
Assess predefined goals

Check against expectations

Transformation
Evolve into stronger partnership

Spawns other projects

Continues the same

Continues in different form

Finishes completely

OUTCOMES

Strategy realization
Product portfolio development
Destination competitiveness

Organization learning
Organization change and innovation
Enhance competency

Social capital building
Relationship and trust building
Value creation through business networks

Fig. 16.1. An integrative framework for collaborative destination marketing (Adapted from Wang and Fesenmaier, 2007).

why organizations choose to enter into strategic alliances and networks to achieve their specific goals; (iii) the stage construct which captures the dynamics of collaborative marketing processes; and (iv) the outcome construct which describes the consequences of collaborative marketing activities. In addition, the strategic relationship configuration between local tourism businesses and the driving factors behind relationship configuration are examined and discussed based on the interviews.

As mentioned above, the conceptual framework and other extended issues relating to collaborative destination marketing have been developed based on previous theory as well as numerous interviews with convention and visitors bureau (CVB) staff and local tourism businesses at two destinations. The first destination is Elkhart County in Indiana and the second is Orlando in Florida. The following section provides brief information about the nature of these two destinations as well as information on how interview data were collected and analysed.

The first destination case selected for interviews, Elkhart County in northern Indiana, is 150 miles north-east of Indianapolis, 100 miles east of Chicago, and 50 miles northwest of Fort Wayne. The destination is composed of three cities (Elkhart, Goshen and Nappanee) and four towns (Bristol, Middlebury, Wakarusa and Shipshewana). As the second largest Amish community in North America, this destination is collectively promoted as Northern Indiana Amish Country. Over a million visitors are attracted to the destination annually, with most of them being domestic day visitors. The feeder markets include Chicago, Detroit, Indianapolis, southwest Michigan and northern Indiana; most of these markets are within a 150 mile radius. The Elkhart County CVB (ECCVB) is the major DMO representing the local community and is the convener of most of the collaborative marketing campaigns. The ECCVB is funded by US$12,000,000 of lodging tax collection and US$200,000 of publication sales from the ECCVB Vacation Planner. The interviews (about an hour each) were conducted with five ECCVB staff and 32 industry representatives covering four industry sectors (accommoda-

tion, attractions, cultural, arts and events organizations) in 2 weeks in July 2003.

The second destination case selected for interviews, Orlando, Florida, is home to great entertainment, shopping and dining, which are ranked by the Orlando CVB as the top three visitors' favourite activities. Orlando represents an ideal location to study destination marketing because of its market diversity in tourism travel. It is an internationally renowned destination known for its state-of-the-art meeting spaces, its diverse portfolio of lodgings, restaurants and attractions, and its subtropical climate. Because of the wide range of facilities that are welcoming to both the value and the luxury travel markets, Orlando has become a popular destination for visitors even during the economic downturn. In 2008, 44.6 million domestic visitors and 3.1 million international visitors from 205 countries visited Orlando. In 2007, all travellers generated US$31.1 billion for the local economy. The Orlando and Orange County CVB (OOCCVB) is the local DMO responsible for generating brand awareness, increasing leisure travel, and booking conventions and meetings to the destination, and is working extensively with local tourism businesses to develop a collaborative marketing plan in order to better promote the destination. The OOCCVB works with over 1200 members in six different membership groups (accommodation members, convention service members, non-profit members, retail members, transportation members, and visitor and professional service members). Interviews with seven OOCCVB staff and 32 local tourism businesses were conducted during August 2009.

Preconditions for marketing alliances

In strategic management, it is generally accepted that organizations must adapt to their environments in order to survive and prosper. Following Duncan (1972), the environment can be defined as the relevant physical and social factors outside the boundary of an organization that are taken into consideration during organizational decision making. As such, organizations do not form alliances in a vacuum and their collaborative

behaviours are influenced and shaped by environmental forces, which set the preconditions for organizations to enter into collaborative relationships. Interviews at both destinations indicated that there are several important preconditions for destination marketing alliances: (i) economic conditions; (ii) crisis or major event; (iii) changing demands of tourists; (iv) intra-destination competition; (v) inter-destination competition; (vi) organization support; and (vii) technology support.

Economic conditions

The poor economic conditions in the USA have had a major impact on the willingness of tourism businesses to participate in collaborative marketing efforts. The Orlando interviews indicated that under the current difficult economic conditions, businesses become more receptive to collaboration for the purposes of cost sharing in operation and advertising, generating new ideas for promoting the entire destination to boost visitation and creating superior products for consumers. It is clear that tourism firms in Orlando have expressed concern regarding the decrease in tourist arrivals that had occurred over the last year and a half. The marketing managers of the firms interviewed noted that this decrease in arrivals has led to scarce marketing, advertising and promotion dollars, which has directly led to the increased interest in collaborative marketing efforts with other tourism companies. The increased interest in collaborative marketing efforts with other tourism companies is reflected through the bundling of tourism services and products supplied by multiple tourism firms. The economic conditions have also stimulated a dedication from tourism firms to design a superior tourist product through the bundling of services and goods with partnering tourism businesses. This trend is particularly specific, but not exclusive, to the hotel industry and event sectors.

Crisis or major event

The interviews in the two destinations revealed that a crisis or major event (e.g. 9/11 and hurricanes) is one of the most important

and typical preconditions for the local tourism organizations to form collaborative relationships, especially when the crisis requires collective action. There are always some issues that come up that destinations have not planned for. When one of those crises arrives, destinations have to put people together for ideas. Most industry representatives supported the view that partnerships are the only effective means of dealing with crises of various types at the destination level. For example, several of the retail sector companies and theme parks in Orlando indicated that weather-related factors (e.g. hurricanes, persistent rain and excessive heat) are major tourist concerns that affect attendance rates. In order to mitigate the weather concerns of the tourists, these companies try to offer package deals with other tourism companies (e.g. the Wet-N-Wild Water Park with Prime Outlet Shopping Center). The hotel and event sectors indicated that after 9/11 other locations/destinations began to 'peel away' Orlando's group and meeting sales business. Hotels indicated that the tragedy drastically intensified their desire to collaborate in marketing efforts (with direct or indirect competition) in order to avoid losing potential group business. Exclusive to the event sector, the event managers interviewed noted that the increased fear in contracting an illness while traveling (e.g. swine flu) was influencing their firm's willingness and motivation to collaborate with other types of firms (not necessarily tourism firms) to try and promote health and safety. For example, one event management firm added value to its event proposal/bid to a national sales meeting with Enterprise Car Rental through the formation of a marketing partnership with Dr. P. Phillips Hospital in Orlando.

Changing demands of tourists

Emerging tourist travelling trends and fluctuating demand patterns (seasonality) of tourists and/or locals seemed to also trigger tourism firms (particularly small firms) to participate in collaborative marketing efforts with other businesses. Several event and hotel firms noted that the increased demand for 'green products/events' was a

growing request from tourists to Orlando and the corporate meeting segment; this has ultimately forced the companies to venture into agreements with other firms that are able to supply the green requests to the tourists/clients. In addition, the increased cost of fuel has resulted in a rise in transportation costs to the destination which has deterred some of the expected tourists. To overcome this challenge, the tourism industry has looked to form marketing partnerships with either tour operating companies or transportation companies. For example, Disney partners with an airline company to reduce the air fare available to tourists coming to Disney.

Intra-destination competition and performance

Another important precondition for the development of collaboration relationships is related to the increasing competition in the marketplace and the pressure for better destination performance in order to attract business. Under such circumstances, organizations tend to work with each other and pool resources together in order to achieve something that they could not achieve simply by individual efforts. In Orlando, it seems that the hotel, theme park and attraction sectors noted that the level of competition within the destination has rapidly increased as a result of the decrease in the amount of tourist arrivals to Orlando. In order to overcome the increased level of competition from the internal marketplace, firms have explored opportunities and methods to increase demand for Orlando as a destination. Efforts to increase demand have been made particularly by the hotel sector in its search for means to work with other businesses to create value-added packages in order to increase the severely depleted occupancy levels/rates. For example, Marriott partners with Universal Studios in an attempt to build a better 'package deal' than Disney, and both Universal Studios and the Marriott Hotels benefit. One hotel manager noted that in order to compensate for the discounts that Disney offers they must partner with other businesses because their contribution margins cannot afford to have deep

room rate reduction. At the same time, small companies in specific industry sectors are inclined to work with each other to form consortia so as not to be 'smashed' by the 'Orlando big guys'. For example, the smaller attraction companies who are in a disadvantaged position to compete with Disney's advertising and marketing budget form 'partnerships' to share advertising costs and reach a larger audience. The OOCCVB has also attempted to increase Orlando's propensity to receive city-wide events that they feel all tourism firms may benefit from by collectively incorporating hotel bands that work together to support the city-wide event if it is awarded to Orlando (e.g. a Professional Convention Management Association (PCMA) bid).

Inter-destination competition

From a macroeconomic perspective, the interviews revealed that external competition from surrounding areas is an immediate concern for both destinations. This environmental condition increases the likelihood that tourism firms are willing to work together to promote the destination in competition with other destinations. For example, the hotel and theme park sectors in Orlando readily admitted that in order to prevent continued future loss of tourists' interests to other destinations, they would have to come together in a collaborative market to correctly position the destination in the minds of tourists. They advocated that the tourism firm mind-set must change from 'in the market' to 'market to market'. Larger hotels, attractions and theme parks also realized that from a future perspective it is necessary to overcome internal competition within the destination before forming any competitive strategies against other destinations.

Organizational support

During the interviews, a number of representatives indicated that organizational support serves as a very important precondition for them to enter into alliance relationships with others. This is probably because the success of the collaborative activities is not based just

upon individual efforts, but rather reflects the values of the entire organization. The interviews revealed that leadership, attitude toward cooperation, communication, resources and competency are important factors supporting collaboration. For example, strong leadership was mentioned repeatedly as an important organizational support for executing co-marketing campaigns, because the leader sets the tone and provides direction for the organization, especially in small organizations. A positive attitude to cooperation is the mentality required for successful collaboration. The open communication environment within the organization has to be guaranteed so that there will be no barriers to smooth communication and information sharing on a constant basis, thus encouraging the partners to stick to the collaboration efforts. Besides this, partner organizations need to have ample and sufficient resources to support the collaboration effort and to ensure its success. These organizational resources can be represented by different forms, such as support from other employees and financial support. In addition, the organization should have the competence necessary for planning and executing the collaboration activities in the eyes of the partners.

Technology support

Information technology seems to be playing important roles either as a driving force to collaboration or as a facilitating tool during the collaboration process. It was revealed in the interviews that some of the salient advantages of technology include keeping information updated, opening up more opportunities, allowing for more and effective communications, and making a virtual information repository possible. However, there are some challenges in terms of effective use of technology for collaborative marketing purposes. One industry representative pointed out that technology changes so fast that everyone has a hard time to keep up with it, especially small businesses. It was further suggested that most of small businesses do not have the resources, expertise, knowledge and training to make effective use of technology.

Motivation for entering into marketing alliances

Organizations and businesses enter into collaborative relationships with different motivations, ranging from social to economic to strategic. These motivations can be classified into five broad categories: strategy oriented, transaction-cost oriented, learning oriented, cluster competitiveness and community responsibility. Accordingly, different approaches have been developed to study these motivations. As recognized by Kogut (1988), these theoretical approaches are particularly appropriate for explaining the choice and motivations of alliance formation.

Strategy-oriented motivation

The strategic behaviour approach (Bleeke and Ernst, 1993; Ohmae, 1989) focuses on the consequences for the competitive positioning of the organization. According to this view, the formation of inter-organizational linkages can be explained as the strategic or resource needs of organizations (Hamel, 1991; Hagedoorn and Schakenraad, 1994). According to Pearce (1989), tourism organizations are set up to achieve goals when these goals are best met by combined activities based on the participants working within a formal structure. Bramwell and Rawding (1994) argued that certain characteristics of the tourism industry may provide encouragement to the formation of inter-organizational relationships, such as the interdependence of a wide range of goods and services comprising the tourism product, the small scale of many individual operators and the spatial separation of the destination area from where the tourist lives. In particular, the destination as a whole and the tourism organizations involved will only be able to gain competitive advantage by bringing together their knowledge, expertise, capital and other resources (Pearce 1989). It is increasingly difficult for individual tourism organizations to make decisions unilaterally without taking the interests of other tourism organizations into account. In addition, increased competitive pressures have prompted collaboration between tourism organizations trying to gain access to new assets, markets and

technologies, or trying to spread the cost of marketing innovation over several parties (Selin, 1993), which can eventually improve their strategic positions in the marketplace. In the tourism context, expanding markets and developing a portfolio of attractions for the local destination are important motivations for DMOs and the local tourism industry to work together. From the industry perspective, it is believed that increasing the portfolio of product offers will not only provide consumers with more opportunities from which to choose, but will also make it possible for visitors to stay longer. Many industry representatives understand that working together and providing a holistic experience to consumers is the only way to make the destination more competitive and sustainable in the long term, thus enhancing economic gains for the entire community.

Transaction-cost-oriented motivation

From the transaction-cost perspective, organizations entering into alliances and networks are driven by the need for efficiency, with the emphasis on providing incentives for efficient transactions and economizing on transaction costs (Williamson, 1975, 1985). It appears from the interviews at both destinations that cost efficiency is a key motivation driving the CVB and the local tourism industry to work together. From the CVB perspective, tourism businesses are able to do so much more when they work with others by leveraging their resources together. They can be more powerful, get more public relations covered and see more value in what they do. At the regional level, it is more efficient and effective to work together as they can convey the general picture of the destination collectively at reduced costs.

Learning-related motivations

Organizational learning perspective focuses on the ability of organizations to extract new knowledge and skills or to protect core competences from competitors (Parkhe, 1993; Baum *et al.*, 2000; Saxena, 2005; Dredge, 2006). Interviews from both destinations indicated that tourism businesses revealed that they

want to work with each other in order to gain a better understanding of the marketplace. From the CVBs' perspective, the more information they have at their fingertips, the more helpful they think they would be to both their direct partners and to the business community in general. The same view was shared by several representatives of the tourism industry. From their viewpoint, the more they work with each other, the more they will understand the local businesses related to them and the opportunities that are available, and the more they will possibly identify good partners to work with. In addition, most of the representatives believed that the CVBs have the knowledge base and expertise that they need, and that the process of working with the CVBs is a learning process itself. In other words, working with others is one way to expand their own capabilities by broadening their knowledge base.

Cluster competitiveness

Cluster competitiveness can trace its theoretical foundation from cluster theory (Gunn, 1988; Porter, 1990), developed to explain certain economic development phenomena. Clusters are viewed as encompassing an array of linked industries and other entities important to competition as a destination; they provide complementary travel products and services and offer a holistic experience to travellers. These complementarities come in many forms, with the most obvious being when products complement one another in meeting customer needs. For example, the quality of a tourist's visit to the tourism cluster in a destination is reliant upon the quality and efficiency of complementary businesses such as accommodation, attractions, retail outlets, etc. This view was shared by quite a number of local tourism businesses. One business manager observed that 'you cannot make all by yourself. No one is going to travel just to see me. They are going to come to see me because they can also see the people next door and do lots of other things'. The same logic was expressed by a manager from a camping ground in Indiana: 'They'll stay longer if they enjoy our area … we really need partners in the area so that we can provide

more things to do for the travelers. We can only become more competitive as a group and that is what we should be thinking'.

Community responsibility

On many occasions organizations enter collaborative relationships in order to address a certain community issue or public concern. Organizations motivated by this desire are responding from a perspective of social responsibility (Carroll, 1991, 1999). Because the mission of the CVB is generally linked to community development, this is often a critical aspect motivating the CVB's active participation. Another aspect of the community responsibility framework is the goal of increasing goodwill in the community. In this case, an organization may establish itself as a member of an alliance to enhance its reputation with its consumers and local constituents (Freeman, 1984; Wood, 1991). By participating in and leading the alliance, the CVB can demonstrate to the community that it is concerned about and actively responding to the tourism stakeholders' needs and expectations so that it can enhance its credibility and legitimacy in the community.

Stages of marketing alliance formation

Collaboration can be defined as a process of shared decision making among key stakeholders of a problem domain about the future of that domain (Gray, 1985). Within the tourism domain, this involves joint decision making among all those parties having an interest or stake in tourism destination marketing. A number of studies have been conducted to model the collaborative processes in different disciplines. For example, Waddock (1989) argued that three concurrent processes can be identified at the start of a partnership: issue crystallization, coalition building and purpose formulation. These are continuous processes that are interactive and constantly influence the strategic thrust and pragmatic developments of the partnership. Similarly, McCann (1983) observed that collaboration develops through a natural process consisting of three sequential phases: problem

setting, direction setting and structuring. Selin and Chavez (1995) also used the same three phases to describe the evolutionary process in tourism planning. A more recent attempt by Bailey and Koney (2000) outlined four phases to describe the developmental process of strategic alliances.

There are several limitations in these studies. First, the existence of different terminologies suggests that there is little consensus in the understanding of the collaboration process. Secondly, the terminologies and their elaborations only reflect the fragmented and discrete aspects of the collaboration stages at best, and so there is a lack of understanding of the whole process from the beginning to the end. In addition, the studies have embraced a static and linear approach in studying the collaboration process. In reality, collaboration stages do not necessarily manifest a sequential order; instead, they are embedded in a dynamic and cyclical process whereby cooperation, conflict and compromise coexist, and various governance structures are negotiated to ensure that the whole collaboration process is smooth and successful. As such, it is proposed that there are five stages in the collaboration process, including: (i) the assembling stage; (ii) the ordering stage; (iii) the implementation stage; (iv) the evaluation stage; and (v) the transformation stage.

The assembling stage describes a process of issue identification and partner selection so that understanding can be built around it (McCann, 1983; Bailey and Koney, 2000). First, it is concerned with identifying and mutually acknowledging the key issues within a problem domain among the potential partners (Gray, 1985). It is important at this stage that a consensus is reached about what the joint issue is, who has a legitimate stake in the issue, and whether the parties involved have a common problem definition. At the same time, the initiation of the collaboration will depend on the level of the perceived benefits of the parties and the perceived salience of the problem (Selin and Chavez, 1995). Secondly, the initiation of collaborative relationships requires the selection of partners, which includes recognition of interdependence, domain consensus, goal

similarity, partner fit and mutual trust (Selin and Chavez, 1995). These factors influence the formation and operation of tourism marketing alliances in different ways. For example, interdependence requires destination organizations to draw together different sectors of the tourism industry for the goal of effective destination marketing (Pearce, 1989; Selin and Beason, 1991). Interdependence also generates a need to coordinate the different sectors to ensure that they function harmoniously. Interdependence, small size, market fragmentation and spatial separation are all factors that may lead to a desire for combined actions, a willingness to unite to achieve common goals and a need to form collaborative alliances (Murphy, 1985; Pearce, 1992; Jamal and Getz, 1995).

The stage of assembling gives way to the ordering stage where ideas identified in the previous stage are streamlined and sorted through, and efforts are made to arrive at a shared vision among all the parties involved so that appropriate actions can be taken (Selin and Chavez, 1995; Bailey and Koney, 2000). The purpose of the ordering stage is to align all the resources available and make sure that everything is working towards the success of the collaborative project. At this stage of the collaboration, stakeholders share interpretations about the future of the project and begin to foster and appreciate a sense of common purpose (McCann, 1983). At the same time, they establish specific goals to achieve, set rules and an agenda for realizing the goals, collect and share information, explore and compare options and alternatives, and select viable solutions. According to Wood and Gray (1991), collaboration occurs when a group of autonomous stakeholders of a problem domain engage in an interactive process, using shared rules, norms and structures, to act or decide on issues related to that domain. Stakeholders are autonomous in that they retain independent decision-making powers even when they agree to work with each other within a framework of rules or other expectations. The definition given by Wood and Gray (1991) suggests that participants must work together with at least the intention to develop a mutual orientation in response to an issue, e.g. to determine direction,

organization and action. Most importantly, an effort aimed at fostering a shared vision and breaking down any existing stereotypes or lack of trust among participants is often needed to ensure a successful collaboration (Waddock, 1989). This is because the collaborative marketing process brings together various types of tourism organizations (both private and public) who have different ideologies and values (Rainey, 1983). Such differences may upset the equilibrium of the collaborative effort if they are not reconciled (Waddock, 1989). In addition, strongly held stereotypes, which inhibit productive interactions, may exist in the collaboration process (Gray, 1985).

The implementation stage is introduced after the first two preparation stages, and is where ideas and thoughts are put into action, and plans and strategies are operationalized. In this stage, the parties involved reassess the costs and benefits of the project and assign roles among partners so that everybody is clear about their responsibilities. In order to ensure the success of these activities, a suitable structure and effective means of communication are required. For example, Selin (1993) noted that, for collaboration to succeed and persist over time, there is a need to manage stakeholder interactions in a systematic manner through establishing the structure for the implementation of the collaborative activities. This is because the collaborative relationships are dynamic, and collaborative marketing activities must take into account not only the common wishes of all stakeholders but also divergent views resulting from each individual stakeholder's own business strategies. Thus, the structure is used to ensure that all stakeholders ascribe to shared meanings and coordinate each individual stakeholder in terms of its roles and responsibilities in the network of relationships. Further, mutual communication is also critical for successful collaboration in the tourism industry. An accurate reading of the environment, especially of the availability of exchange partners and of the goodness of fit between the organizations involved, greatly depends upon the quality and frequency of mutual communication (Selin and Chavez, 1995). Following Bailey and Koney (2000), it

is posited that, as the alliance moves into the implementation stage, the alliance leaders and members must understand clearly the costs and benefits of membership, their new roles and how they fit into the larger context through effective ways of communication.

Evaluation is another important stage in the collaboration process for most of the tourism organizations involved, especially the leading organizations. Evaluation takes a retrospective perspective and assesses whether the predefined goals and objectives have been achieved (Gray, 1989). The evaluation stage involves a number of activities, such as reviewing individual projects and making decisions with respect to continuing the current projects, revising the project plans, planning and executing other similar projects, and ensuring accountability in operations. What is vital is to draw lessons and produce recommendations through analyses of the factors affecting the project results and utilize them for improvements in the process. Various measures can be taken to serve the evaluation purpose, such as assessing predefined goals, revisiting business plans, evaluating predefined objectives, documentation, checking against expectations, informal follow-ups, benchmarking against previous projects, etc. (Gray, 1989; Borden, 1997).

In the transformation stage, members in an alliance determine the future direction of their relationships at some point in the life cycle of a tourism collaborative marketing project. The transformation stage is generally precipitated by a specific event or guidance, such as the accomplishment of the alliance's initial goal or the end of the initial term set for the marketing alliance's work (Bailey and Koney, 2000). It is conceivable that during the transformation stage, participants will usually revisit the salient issues at each of the previous stages, including their commitment to the alliance, and determine if and how the alliance should proceed. That is, the individual tourism stakeholders will assess whether the purpose and activities of the alliance are still consistent with their own goals and resources. In the transformation stage, which is characterized by change and reflection, tourism stakeholders informally and formally use the evaluation system established

earlier to review the effectiveness of the alliance as it moves through the stage, and make decisions about their next move(s) (Bailey and Koney, 2000). It is suggested that the transformation stage may offer several possibilities for the future direction of the tourism marketing alliance: the alliance may become stronger; the alliance may generate more projects; the alliance may continue unchanged; or the alliance may formally end.

It should be noted that not all collaborations proceed through these stages in sequence. In other words, the collaboration stages are not necessarily separate and distinct in practice. Overlapping and recycling back to earlier issues that are not addressed may be necessary, particularly if leadership is conflicted or third-party facilitation is absent (Bailey and Koney, 2000). For example, issues in the assembling stage may continually appear during the ordering stage. Failure to address a critical issue adequately in a certain stage can severely hamper the success of the collaborative efforts (Selin and Chavez, 1995).

Outcomes of marketing alliances

Collaboration inevitably leads to outcomes that are usually multifaceted and contingent upon the context in which the collaboration takes place. There are three broad categories of outcomes resulting from collaborative marketing: strategy realization, organizational learning and social capital building. First, the realization of strategy is directly reflected in the enhanced competitive advantage of tourism organizations that occurs through collaboration. Within the destination context, this enhanced competitive advantage may include shared marketing cost, effective use of pooled resources, increased destination competitiveness, competitive branding and image building, and an improved product portfolio (Gunn, 1988; Pearce, 1992; Selin, 1993; Jamal and Getz, 1995; Selin and Chavez, 1995).

The second category of collaboration outcome is related to organizational learning. Collaboration can essentially be characterized

as a joint learning experience (Doz, 1988) and a vehicle by which firms transfer knowledge (Kogut, 1988). Through collaboration, organizations purposefully acquire knowledge in order to increase their competences (Hagedoorn, 1993). Within the tourism context, collaborative destination marketing involves a range of stakeholders, who may bring their knowledge, expertise and other capacities to the collaborative marketing efforts which, in turn, will introduce change, improvement and innovation through the interaction process (Anand and Khanna, 2000; Kale *et al.*, 2000). In other words, organizational learning-related outcomes for tourism organizations are manifested in knowledge transfer, organization change and innovation, and improvement in the various types of skills required for collaboration, such as people skills, communication skills and problem-solving skills.

The third category of collaboration outcome is social capital building. Social capital refers to the resources available in and through personal and business networks (Granovetter, 1985). These resources include information, ideas, leads, business opportunities, power and influence, emotional support and even good will, trust and the spirit of cooperation. The notion of 'social' capital suggests that these resources reside in networks of relationships (Burt, 1997). In other words, if human capital can be understood as what one knows (the sum of one's own knowledge, skills and experience), then access to social capital depends on who one knows – the size, quality and diversity of one's personal and business networks (Granovetter, 1985). Social capital built through collaborative destination marketing mainly lies in the benefits of relationships and trust established among the various sectors of the tourism industry as well as among individual organizations in the destination; this may be harnessed as high-quality information, future project opportunities and the spirit of collaboration within the destination. Social capital, like human capital or financial capital, is productive; it enables network partners to create value, get things done, achieve their goals, fulfil their missions and make the destination more competitive. At the destination level, to say that social capital is productive is an understatement: no one can be successful – or even survive – without the interconnected relationships among the various tourism businesses.

Destination Marketing: Competition, Cooperation or Coopetition?

Understanding the working relationships among tourism businesses at a destination is a critical prerequisite to the success of many collaborative destination marketing programmes (Terpstra and Simonin, 1993). When tourism stakeholders/businesses at a destination participate in collaborative marketing, there are many relationship forms they can choose, ranging from loose connections to more formal and integrated relationships (Bailey and Koney, 2000). For example, informal affiliation manifested by loose linkages and connections may represent the least developed and integrated working relationship as this type of relationship only requires the organizations involved to demonstrate similar interests and sometimes the good faith of mutual support (Bailey and Koney, 2000). At the other end of the relationship continuum, a joint venture might represent a more developed and integrated relationship in which two or more members work together on a separate project (Ring and Van de Ven, 1994). Other forms of working relationships might also appear in this continuum of arrangement (Bailey and Koney, 2000). In the tourism context, what is more common is the loosely formed alliance of tourism organizations, such as regional or local tourism associations, and other marketing alliances initiated and organized by local DMOs (Henderson, 2001; Prideaux and Cooper, 2003; Saxena, 2005; Wang and Fesenmaier, 2007; Wang and Xiang, 2007).

Though there is a significant and growing amount of theoretical and empirical research devoted to understanding the formation of these relationships (Watkins and Bell, 2002), a systematic definition and description of relationships as seen by the tourism industry would contribute to the understanding of

how businesses perceive their relationships with their counterparts, and how they move from one existing mode of relationship to another (Watkins and Bell, 2002). Relating to this, an understanding of the driving factors behind the dynamic configuration of the business relationships will not only provide a theoretical contribution but also offer practical guidelines to the successful and sustainable operation of destination marketing alliances (Palmer, 2002). In addition, the fragmentation of the tourism industry and the complexity of destination marketing call for a collective approach to destination marketing; how the tourism industry in a destination keeps the balance between cooperation and competition determines, to a great extent, the effectiveness of their destination marketing efforts, as well as the long-term competitiveness and success of that destination (Palmer and Bejou, 1995).

An extensive and critical review of the literature in the general business area indicates that different terms have been used to describe the working relationships between and among businesses. For example, Fyall and Garrod (2004) used the term coordination and described it as a process whereby two or more organizations create and/or use existing decision rules that have been established to deal collectively with their shared-task environment. Others use the term cooperation to refer to the links that bring organizations together, thereby enhancing their ability to compete in the marketplace (Lynch, 1990). Palmer (2002) applied the cooperative concept to marketing, stating that cooperative marketing groups are groups of independent businesses that recognize the advantages of developing markets jointly rather than in isolation.

Beyond coordination, collaboration is a commonly used term to describe a more formal type of working relationship between businesses and organizations (Wood and Gray, 1991; Selin, 1993). Wood and Gray (1991, p. 146) define it as a process 'when a group of autonomous stakeholders of a problem domain engage in an interactive process, using shared rules, norms, and structure, to act or decide on issues related to that domain'. They argue that collaborative interaction is

considered as a relatively more formal process involving regular, face-to-face dialogue. This view is supported by other researchers who argue that collaboration is an intensive form of mutual attachment in which actors are bound together by the mutually supportive pursuit of individual collective benefits (Huxham, 1996). Jamal and Getz (1995) applied the concept of collaboration to community-based tourism planning and define it as a process of joint decision making among autonomous, key stakeholders of an inter-organizational, community tourism domain to resolve planning problems of the domain and/or manage issues related to the planning and development of the domain.

Other researchers use the term strategic alliance to refer to a more formal and structured working relationships between organizations (e.g. Parkhe, 1993; Terpstra and Simonin, 1993). Strategic alliance is defined as organizational arrangements and operating policies through which separate organizations share administrative authority and form social links through more open-ended contractual arrangements – as opposed to very specific, arm's length contracts (Witt and Moutinho, 1989). Strategic alliances are concerned with issues of how to obtain resources through partnership (Witt and Moutinho, 1995; Henderson, 2001). The concept has been applied to tourism marketing alliances, which are contractual relationships undertaken by tourism businesses whose respective products complement each other in the marketplace (Palmer and Bejou, 1995; Fyall and Garrod, 2004).

As can be seen, the majority of the literature describing inter-organizational relationships tends to focus on the cooperative aspect of the relationship; the competitive aspect of the relationship is usually neglected. In addition, there is limited evidence to provide systematic and empirical support as to why organizations switch between the different modes of relationships, particularly in relation to cooperation and competition. Doz (1996) attempts to make a link between the various relationship configurations with exogenous environmental dynamics, arguing that a shift in the strategic priorities of a firm, or a loss of leadership which makes a partner

less attractive than it was earlier, are all drivers to shift the balance from a more cooperative to more competitive mind-set. Koza and Lewin (1998) try to understand the issue from a market perspective. They believe that the proximity of an activity to its customer seems to be of importance for the division between cooperative and competitive interactions. That is, the cooperative or competitive relationship are divided owing to the closeness of an activity to the customer, in that firms compete in activities close to the customer and cooperate in activities far from the customer.

This leads to another term – 'coopetition' – introduced by other researchers (e.g. Bengtsson and Kock, 2000; Gnyawali and Madhavan, 2001) who argue that organizations do not always engage in either competitive or cooperative relationships with each other; rather, these relationships can often coexist. In this stream of literature, the term coopetition is defined as simultaneous cooperation and competition (Brandenburger and Nalebuff, 1996). However, the two traditional research perspectives of competition and cooperation have evolved as different research streams. In competition, the focus is on value-appropriation strategies, whereas in cooperation, the focus is on collective strategies for value generation (Moore, 1993; Gnyawali and Madhavan, 2001). In the tourism context, in order to provide the products and services for consumption, destinations have to effectively coordinate resources and capabilities between participating businesses, which requires both cooperation and competition. However, there is no coherent theoretical basis for understanding the balance between competition and cooperation in the management literature; nor is the manner in which tourism businesses in a destination can engage in coopetitive relationships supported by the tourism literature. Based on the interviews previously described from the two destinations, a summary of reports has been provided that focuses on three issues: (i) forms of business relationships in destination marketing; (ii) the driving factors for relationship configuration in a destination; and (iii) the strategic choice of cooperation versus competition in a destination.

Forms of business relationships in destination marketing

Findings from the interviews in the two destinations indicated that tourism businesses engage in various forms of relationships in their destination marketing efforts, ranging from competition to cooperation to the hybrid behaviour comprising competition and cooperation that is referred to as coopetition. The relationship can be best demonstrated in Fig. 16.2, where competition and cooperation are two diametrically different logics of behaviour, but where coopetition behaviour can be observed in between from time to time. Competitive behaviour is observed when individual tourism businesses try to maximize their own interests and do not participate in collective action; the different self-interests are often in conflict with each other and, as a result, businesses compete against each other to best fulfil their own self-interests. Cooperative behaviour is based on a diametrically opposite rationale in which individual tourism businesses participate in collective actions to achieve common goals. Coopetition relationships are complex as they consist of two diametrically different logics of interaction. Tourism businesses involved in coopetition are involved in a relationship that, on the one hand, consists of competition resulting from conflicting interests and, on the other hand, consists of cooperation arising from common interests. It should be noted that most of the interviewees focused much of their discussion on cooperation rather than competition or coopetition, indicating that cooperation is taking the central stage as the dominant way of thinking when it comes to destination marketing.

The interview findings indicated that cooperative relationships among the tourism organizations in destination marketing exist with different forms at different levels. These alternatives range from loosely connected relationships to those that are very formal and integrated. Very often tourism organizations find that there is no need for them to enter into a formal and complex relationship if the intention is merely to exchange information about a particular issue or client. The arrays of relationships can be broadly
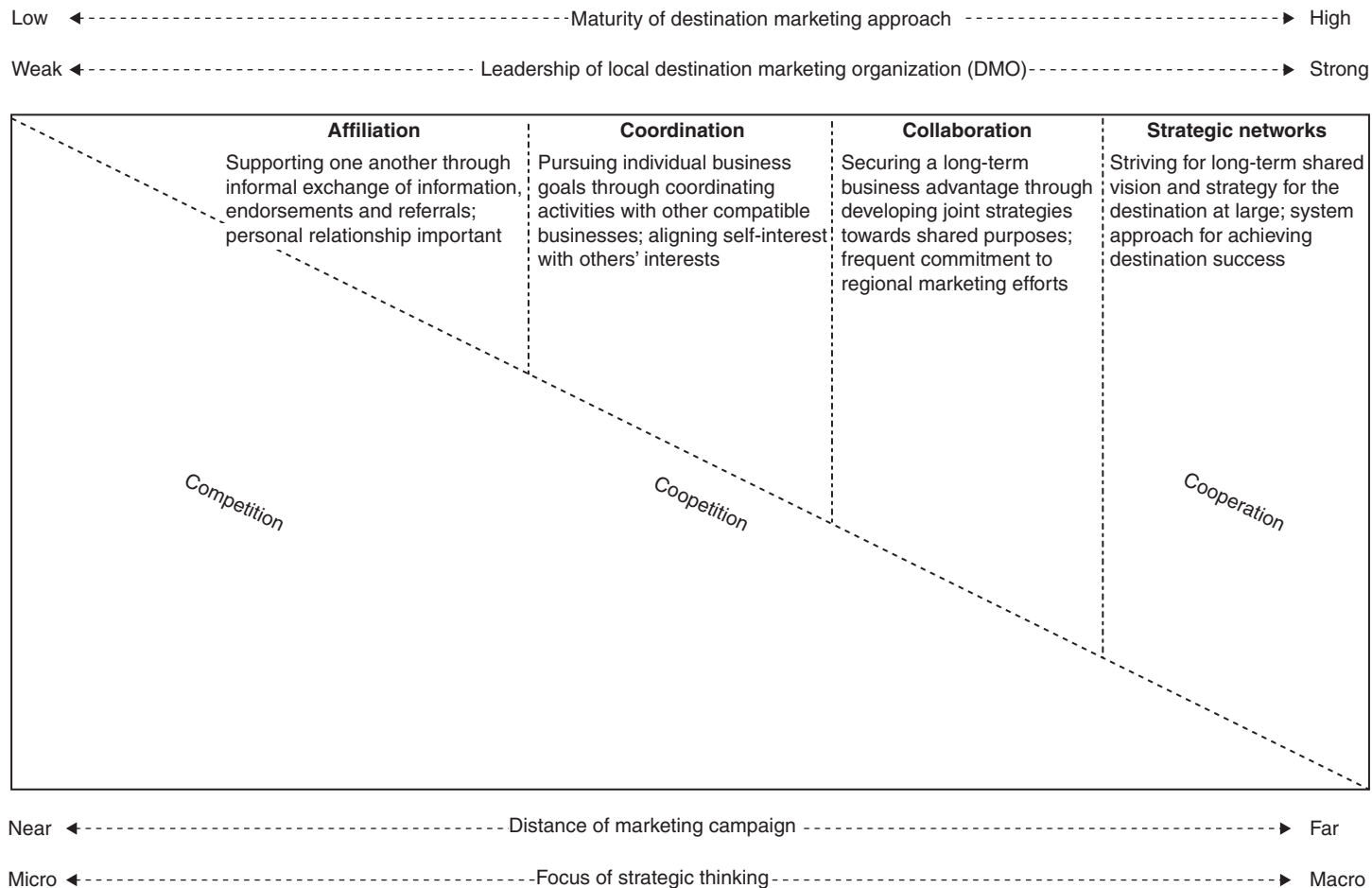
Fig. 16.2. Relationship configuration within the tourism industry and the determining factors (Adapted from Watkins and Bell, 2002).

manifested in four forms in a continuum defined by various degrees of formalization, integration and structural complexity required by the nature and mission of the marketing project. These four forms of business relationships can be termed affiliation, coordination, collaboration and strategic networks (see also Fig. 16.2). It should be noted that although these four forms of relationships follow a logical order of low to high formalization, integration and structural complexity, they are only indicative, not exhaustive, in describing the cooperative working relationships among tourism businesses in the destination. The interviews also lend support to the observation that not all business relationships have to follow such a linearly sequential order; rather, the relationships are scenario based, depending on the types of organizations involved and the nature of the projects undertaken. The following is a description of observations of the four forms of cooperative relationships.

It was demonstrated by the interviews that affiliation is the most informal linkage among tourism organizations and, as a result, can be used the most easily. It often reflects an initial level of trust and commitment among the tourism organizations concerned, and is best maintained when connections or linkages between tourism organizations are made person-to-person rather than organization-to-organization. This point is made by many industry representatives who claim that their relationships often stay at the personal level, and that this can serve as the basis for further business-to-business relationship development. In other words, tourism organizations affiliated with each other continue to operate independently while supporting one another through the exchange of information, endorsements and making referrals, usually on an informal and ad hoc basis.

At the next level, coordination allows otherwise autonomous tourism organizations to align their activities to support events or services by implementing common tasks. The integration of staff or activities is minimal and tied to the accomplishment of specific tasks. Policies and procedures are generally kept relatively informal. The focus of the coordination is on the ability of stakeholders to pursue their individual organizational goals better by arranging their activities with the activities of other compatible organizations, and by aligning self-interest with others' interests. Some typical examples of coordination relationships in the destination are usually fairs and related events where tourism businesses coordinate their activities and contribute to the common activities in different forms, such as manpower, ideas and even financial contributions. Such coordination may include two tourism organizations sharing information about programme activities, and deciding to change their programme contents and schedules in order to better serve their common customers. Such programmes may also include tourism businesses in the destination participating in marketing campaigns organized by the CVB to which they contribute in different forms according to the resources available. For example, in a collaborative destination marketing campaign such as a familiarization tour, hotels may provide meeting space and accommodation services; attractions may provide sightseeing opportunities; restaurants may participate by providing complimentary dining experiences; and transportation companies may offer easy access to various locations in the destination for the tour group. In this case, all the stakeholders coordinate with each other to achieve the common goal: sell the destination. Quite a number of stakeholders asserted that they have developed more formal relationships through the CVB or a chamber of commerce, and regard the experience of coordination as a commitment to being part of the industry in the local community.

Tourism organizations may sometimes feel the need to go beyond coordinating their operations around a certain event or practical goal; they may want to develop a joint strategy or common set of strategies for working collectively toward a shared purpose. In this collaborative relationship, each person or organization wants to help not only themselves but also their partners become better at what they do. In a collaborative agreement, tourism organizations usually develop a formal plan for working together on a regular basis. These relationships are typically

defined through memoranda of understanding, contracts or other formal agreements. Throughout the interviews, collaboration was described as a formalized arrangement between two or more complementary entities for the purpose of securing a longer term business advantage. Collaboration is more formalized than coordination and requires a longer term commitment. This type of relationship allows members align themselves in a professional and business-like manner to the benefits of all parties through their many years of close working relationship. By adopting collaborative strategies, gains to the immediate members often flow on to other businesses or sectors outside the formalized arrangement. In such circumstances, marketing programmes seem to be driven by a motivated entity such as the CVB or a small group of businesses who have a vision for and commitment to a better and competitive destination. The interviews indicated that many of the parties are willing to take this long-term collaborative perspective to increase the destination's competitiveness as well as the bottom line of their own businesses.

It was found that strategic tourism networks are more formal structures that integrate the shared vision of all tourism organizations involved and take a system orientation in destination marketing. There are broadly two types of networks in a destination, and they vary depending on the kinds of organizations participating in them. Horizontal networks involve organizations that provide similar services, such as the local hotel and motel association, and vertical networks involve organizations offering different services, such as the marketing campaigns facilitated by the CVB. Yet, regardless of type, strategic networks are integrated marketing systems that seek to improve service delivery by deepening or broadening the scope of services available at the destination to their consumers. In strategic networks, the emphasis is often on the importance of the network itself in successfully marketing the destination. In other words, when a marketing programme can be successfully implemented only through the joint efforts of multiple organizations, then the network itself becomes critical and a

focus on individual tourism organizations is relevant only for understanding how and why each organization contributes to the overall implementation of the service. This was demonstrated by one industry representative from Indiana, who said: 'In order to be successful as an individual business, we have to be successful as a destination, and everybody has to be successful … we are tied to the whole network and if we do not think collectively and look at the big picture, we will be in trouble'.

Based on the descriptions of the informants, it is noted that affiliation, coordination, collaboration and strategic networks describe the cooperative processes that take place in tourism destination marketing. These different forms of cooperative relationships are built upon each other along a continuum. That is, when the continuum of the cooperative marketing relationship moves from affiliation to strategic networks, it also moves from a low degree to a high degree of organizational integration, which requires more formal and complex relationships between the organizations involved.

The driving factors for relationship configuration in a destination

It appeared from the interview findings that for many of the different sectors of the tourism businesses in a local destination, the experience of providing, coordinating and delivering collaborative marketing activities is not an easy one. Although many businesses recognize their interdependence and the need to align their activities by establishing relationships either directly with other businesses or through the mediation of the CVB, they are also compelled by competitive forces to maintain their own business advantages. It is interesting to note that different configurations of relationships exist across the various sectors of the tourism industry, with some sectors adopting certain relationship configurations more than others. For example, the interviews revealed that hotels and motels are more likely to take a competitive perspective than the camping ground business, where cooperation is more likely

to find its way. Also, the various configurations of relationships, including the different levels of cooperative relationships, as well as the cooperation versus competition strategies adopted by tourism organizations in the destination, are affected by the following factors: strategic thinking (micro versus macro), maturity of destination marketing approach, distance of marketing campaign and leadership of the local DMO. These observations are also visually presented in Fig. 16.2.

Strategic thinking: micro versus macro

Those holding a competitive viewpoint usually start from a micro organizational perspective, and their major concern is to generate more business for their individual organizations. This perspective is more pronounced among those business within the same sector, and is highlighted especially by the lodging industry, which usually views other lodging businesses in the local area as head-to-head competitors. However, some businesses broadened the concept of competition beyond this head-to-head rivalry and acknowledged that competition could be an incentive to gain more business by working with others; for example, they can refer excessive business to others in the immediate area instead of losing the business completely from the area. Under certain circumstances they will often compete with and assist each other simultaneously. It appears that these arrangements are loosely formalized and spontaneous, and often break down as one of the parties fails to keep the arrangement. One important finding from the interviews is that the cooperation and competition mentality is affected by how tourism businesses in the destination perceive the collaborative destination marketing strategy. Those taking a macro perspective tend to work with each other more by focusing on the common benefits of the destination; whereas those who take a micro business perspective are less likely to work with other tourism businesses. Their focus is on how to create and maintain competitive advantage through the conscientious efforts of their own individual business.

Distance of marketing campaign

Tourism businesses under a cooperative arrangement usually share information on a regular basis to support each other's activities in order to compete with other destinations. In other words, the perspective of cooperation was described as stimulating more business to the destination through working together. The parties realize that involvement in networking of any kind is a mechanism with the potential to generate additional business for the community instead of losing business to other communities/destinations. They also realize that in the community they are less in competition with each other; they are more in competition with other regions and destinations. As expected, this view often affects participation in cooperative programmes organized by the local CVB. For example, tourism businesses are more interested in participating in group marketing activities organized by the CVB in order to attract business to the local community/destination, such as sales missions in potential markets, joint advertising programmes to maximize their communication impact as a destination, etc. However, cooperative initiatives within the destination, such as internal information sharing, are more difficult and challenging. It seems that the level of cooperation among members of the local tourism industry demonstrates a negative relationship with distance of marketing campaigns: they are more willing to conduct collaborative marketing campaigns outside the community in order to compete with other destinations to bring business to the local destination. Once the customers are within the destination, they tend to compete and fight for those customers.

Maturity of destination marketing approach

At the destination level, this dynamism and configuration of relationships is a reflection of the maturity of the destination marketing approach. A more mature destination marketing approach is more likely to have a cooperative mind-set as the mainstream, though one can still find the coexistence of competition and cooperation. In other words, the more

mature the destination marketing approach is, the more cooperation there will be within the destination. It seems that there is a learning curve when tourism businesses get into working relationships with each other. At first they might not want to cooperate with anyone because they see that as threatening. But as they progress and become more mature in marketing, they understand that their competition is not their next-door neighbours but another destination. Both Elkhart County and Orlando demonstrated very mature destination marketing strategies – by embracing a high level collaborative spirit – relative to other destinations in the states or in the country.

Leadership of the local DMO

It was also interesting to note that a lot of tourism businesses realize that cooperation programmes in a community require leadership. This can be demonstrated by a comparison of two towns in Elkhart County: Shipshewana and Nappanee. The former enjoys a high level of cooperation among local tourism industry organizations whereas cooperative activities are very rare with the latter. Many interviewees attributed this difference to the presence and the strength of leadership in the community, particularly from organizations who take leadership roles in facilitating tourism business activities in their respective communities, such as chambers of commerce or CVBs. One industry representative from Shipshewana made the following observation: 'I think we have come a long way here in Shipshewana; we've been so much more blessed that we've been able to jump on board and support each other, a lot more than Nappanee; they are running a lonely race; they just don't have the support from within their town. Obviously there has to be some leadership'. CVBs are expected to be able to demonstrate their leadership by being able to visualize their communities as tourism destinations. Human relations skills are identified as vital to this leadership role because CVBs have to rely on other businesses and organizations to implement their vision of a great destination. In addition to

these two skills areas, communication skills, knowledge of the tourism system and political savvy were identified as other vital qualifications for DMO leadership.

Cooperation versus competition – the strategic choices of the destination

Industry representatives from both destinations interviewed provided the rationale for cooperation rather than competition in their destinations. The tourism businesses do understand that it is important to have an umbrella message about the destination which can serve a brand to set the destination apart from the competition. However, at the operational level, especially with small businesses, the mind-set of competition is a recurring theme simply because there is too much focus on benefits to individual businesses rather than to the destination as a whole. This relationship between cooperation and competition is a dynamic one; it is also often affected by the perspectives adopted by the tourism businesses in the destination involved in the business interaction, based on the benefits that they seek and on the nature of the projects. It seems that the 'duck' and 'hare' analogy can be applied to interpret the behaviour of the businesses involved in relation to two opposing but interconnected views/approaches: whether the business should serve the destination interest – the 'duck' (a cooperation perspective), or whether the destination should serve the business interest – the 'hare' (a competition perspective), as shown in Fig. 16.3. The cooperative or competitive mind-set of the individual businesses depends on the perspective of the viewer. These different perspectives influence both the attitude and the interest of individual tourism businesses in the marketing of the destination. Both perspectives exist simultaneously at the destination, but it appears that the businesses involved are unable to perceive the two at the same time. Frequently, businesses are only able to see one perspective at a time based on the types of businesses that they work with, the nature of the project, or the type of marketing activities conducted. It appears that the norms and

Cooperation	Perspective	Competition
Company serves the destination interest 'Duck'	Norms and values	The destination serves the company interest 'Hare'
Involved	Community feeling	Detached
Interdependent	Relationships	Independent
Cooperation	Business model	Competition
Macro	Strategic thinking	Micro

Fig. 16.3.   Cooperation or competition: it's all about perspective! (Adapted from Wang and Krakover, 2008).

the values of the individual businesses influence the different ways in which they are committed to the community. In other words, the dominance of business relationships (i.e. competition or cooperation) among the tourism stakeholders at the destination is affected by the fact that the various actors have differing norms and values, which, in turn, affect their feelings towards the community as a destination, their perceived relationships with other stakeholders, and the business models that they adopt when they interact with other stakeholders (models which arise as a result of their own strategic thinking).

Conclusions

Collaborative destination marketing is conceptualized in this chapter as a product of external forces presented to organizations in a destination. These forces serve as the preconditions for the development of marketing alliances. In delineating alliance formation, it is argued that the motivation of tourism organizations entering marketing alliances can be explained from three broad perspectives: strategic oriented, transaction-cost oriented, and organization-learning oriented. It is further proposed that tourism marketing alliances go through five distinctive developmental phases: (i) assembling the member organizations; (ii) ordering the alliance; (iii) implementing the tasks; (iv) evaluating the results; and (v) transforming the alliance. It is suggested that collaborative destination

marketing produces three major outcomes: strategy realization, organizational learning and social capital building. Efforts have also been made to understand the business relationship in the context of destination marketing. The frameworks proposed in the chapter offer important theoretical implications for tourism research as well as practical guidance for marketing alliance development in the tourism context.

The chapter represents a fresh attempt to expanding the framework for research on destination marketing. That is, conventional research in destination marketing usually focuses on developing tools and techniques to understand and approach consumer markets, which is reflected in the plethora of studies on market segmentation. From a marketing strategy point of view, such an approach places the emphasis on the external environments for tourism destinations. While these studies have identified and developed useful means that tourism organizations can utilize when marketing and promoting their destinations to potential visitors, how to improve the marketing efforts through enhancing the capacity and capability of tourism organizations has rarely been fully examined (Palmer and Bejou, 1995). Essentially, destination marketing is a collective effort which requires various organizations and businesses to harmoniously work together in order to achieve a common goal. As such, successful destination marketing entails a profound understanding of the critical aspects in the collaboration process. By providing a comprehensive and integrated view

of the collaborative process, the chapter has demonstrated an important, although preliminary, step toward a research theme focusing on capacity and competence building for tourism organizations and destinations within a marketing context.

The chapter also contributes to the study of tourism-specific partnerships and networks. Building partnerships and networks in tourism destinations has become an increasingly important management strategy in response to escalating environmental pressures (Palmer and Bejou, 1995; Selin and Chavez, 1995). However, research effort directed towards a theoretical understanding of this issue is rare, perhaps as a result of the fact that partnerships and networks are highly complex social, economic and, sometimes, political arrangements in tourism destinations. Applying a single approach to studying this issue, therefore, cannot produce fruitful and meaningful results. Compared with previous research, this chapter constructs a comprehensive view of tourism collaborations through synthesizing and integrating multiple theoretical perspectives. While the primary goal of the chapter is to describe and explain the process of destination marketing collaborations, the proposed framework can also serve as a theoretical foundation for understanding other types of partnerships and networks in tourism destinations.

Further, the chapter also offers an understanding of business relationships in the context of destination marketing. Compared with previous frameworks describing business relationships, the framework proposed in this study includes competitive, cooperative and coopetition arrangements. This represents an encompassing range of possible relationships, and is a development over previous studies in which such arrangements are characterized more as typologies of discrete business relationships of competition and cooperation, which emphasize only the structural entities in which particular ways of relating are facilitated (Bengtsson and Kock, 2000). Indeed, today's business networks are complex gatherings of different kinds of relationships; this means that the traditional neoclassical way of analysing

competition and cooperation is no longer valid (Gnyawali and Madhavan, 2001). In the tourism context, the destination products are produced in a way in that different elements are assembled at the time of consumption in order to provide the total customer experience (Palmer and Bejou, 1995). This value-creation network, which requires simultaneous coordination and cooperation among various stakeholders, is different from the value-chain production process evident in the manufacturing industry, which follows a more linear, step-by-step production approach (Porter, 1990). A tourism business can be involved in several different relationships at the same time in order to defend its position in the business network. Some relationships consist of pure competition; others of pure cooperation and, between the two extremes, there are relationships consisting of a mix of both (coopetition). Cooperation is important for utilizing a destination's limited resources in the most efficient way, whereas coopetition can be regarded as an efficient way of handling both cooperation and competition between businesses.

From a cooperative perspective, it has been argued in the chapter that such relationships can be demonstrated as four types arranged in a continuum based on the level of formality, integration and structural complexity: (i) affiliation; (ii) coordination; (iii) collaboration; and (iv) strategic networks. In affiliation, two or more tourism organizations are loosely connected with each other, usually informally, because of their similar interest or interests. In coordination, otherwise autonomous tourism organizations align activities, sponsor particular events, or deliver targeted services in pursuit of compatible goals. In collaboration, parties work collectively through common strategies. In strategic networks, all the tourism organizations involved in the network have a shared vision and adopt a system orientation to achieve group objectives through consistent strategy and concerted efforts. These terms clarify the extent to which tourism organizations work together to achieve their goals and describe much of the inter-organizational activity occurring among tourism industry businesses.

In order to nurture a more cooperative environment among tourism businesses in the local destination, the following factors were identified as playing important roles: focus of strategic thinking; locality of marketing campaign; maturity of destination marketing approach; and leadership by local DMOs. First, a macro business perspective is required for the tourism industry to focus on the competitive advantage of the destination in order to create a win–win situation for all the stakeholders involved. Given the priority that individual businesses put on their own benefits, this educational responsibility has to fall on the shoulders of certain organizations that can represent all of the stakeholders in the destination, such as the local CVB/DMO. This educational process has to be long term and continuous in order to reinforce the cooperative mind-set within the destination so that it is able to see both the 'forest' and the 'trees'. Secondly, given the observation that the level of cooperation from the industry in collaborative marketing programmes is sensitive to distance of the marketing campaign, CVBs/DMOs may take advantage of this mentality and facilitate more activities in peripheral markets that are involved in creating and maintaining competitive advantage over other destinations. These types of activities/programmes can eventually contribute to a more mature approach to destination marketing, which, in turn, leads to a more competitive destination. In order for this to happen, the CVB/DMO has to take the leadership responsibility for steering the destination to future success. The CVB/DMO has to be knowledgeable enough about the destination, and has to have the communication skills and political savvy to coordinate the diverse interests of the tourism stakeholders in the destination. It needs to take this leadership role by not only providing knowledge to direct the tourism-related activities, but also by being politically astute enough to balance the interests of all constituents, including industry members, government officials and local residents, so that the benefits of tourism activities are seen as being equitably distributed to all affected parties.

It is argued that the relationship between cooperation and competition is vital with reference to the marketing of a tourist destination, as it often takes place on a number of different levels (Grangsjo, 2003). On the one hand, from the tourist's point of view, the tourist destination offers a unified tourist product in relation to other destinations but, on the other hand, within the destination there is competition between the different elements of the tourist product. The development of the destination can be affected by whether the different companies work with, or against, one another. There is a lack of existing theories and research on the relationship between competitors, while it is claimed that the aforementioned 'coopetition' is, in fact, the most mutually advantageous relationship for competitors (Bengtsson and Kock, 2000). Coopetition means that competitors can both have a competitive and a cooperative relationship with one another at the same time (Nalebuff and Brandenburger, 1996). It seems that this coopetition mentality occupies the mind-sets of tourism stakeholders when they approach the issue of destination marketing.

As reflected by the interviews described in the chapter, this paradoxical coopetition relationship may emerge when tourism businesses cooperate in some activities in a collaborative destination marketing context, and at the same time compete with each other in other activities (Bengtsson and Kock, 2000). That the cooperative behaviour and competitive approach adopted by some tourism organizations depends on the distance of the marketing campaign is a good illustration of the coopetition relationship. Coopetition behaviour involves two different logics of interaction. On one side, there is hostility due to the conflicting interests of getting a bigger piece of the business once the visitors are in the destination; on the other side, it is necessary to pool resources and develop mutual commitment to achieve the common goal of attracting the visitors to the destination. It seems that creating value, a bigger pie, is fundamentally a cooperative activity that a business cannot accomplish alone, while the act of dividing up the pie is fundamentally competitive. A business has to keep its eyes on both viewpoints: on creating and capturing at the same time. The coopetition perspective

recognizes the need for more complex descriptions of markets and business models in which cooperation and competition merge together, and actors' roles, processes and objectives become more complex. A CVB/DMO needs to manage this process to make sure that the local tourism industry understands that, from a long-term perspective, the well-being of the destination is more important than the profit maximization of any one business, and that a win–win relationship is possible when each contributes to the total value creation for the destination; this gives rise to a partially convergent interest and goal structure in which both competitive and cooperative issues are simultaneously present and strictly interconnected.

Collaborative destination marketing activities are voluntary arrangements between tourism organizations involving marketing and promoting the destination in a collective way, and can occur as a result of a wide range of motives and goals, take a variety of forms, and occur across vertical and horizontal boundaries. For tourism research, studies of inter-organizational collaboration appear to be particularly relevant at a time when public, private and, to an extent, voluntary sectors are increasingly forging partnership arrangements to market and promote tourism products in destinations. In addition, tourism as a social and economic system is ideally suited to the development of partnership, given the range and diversity of organizational and community interests and involvement. It is, therefore, surprising that theories of inter-organizational collaboration and partnership have so far received scant attention in the tourism studies literature. Though some anecdotal work has been done in relation to planning for tourism development (for example, Gunn, 1988; Inskeep, 1994), no work on the nature and dynamics of collaborative marketing in a destination has been explored. This chapter has attempted, in part, to fill this gap in that it has explained some of the most important issues related to collaborative tourism marketing within a destination. It is expected that the results of the interviews from the two destinations, and more importantly, the frameworks proposed in the chapter will provide a strong theoretical foundation and practical guidance for marketing alliance development in the tourism context.

Acknowledgement

References

Anand, B.N. and Khanna, T. (2000) Do firms learn to create value? The case of alliances. *Strategic Management Journal* 21, 295–315.

Bailey, D. and Koney, K.M. (2000) *Strategic Alliances Among Health and Human Services Organizations*. Sage Publications, London.

Baum, J.A., Calabrese, T. and Silverman, B.S. (2000) Don't go it alone: alliance network composition and startups' performance in Canadian biotechnology. *Strategic Management Journal* 21, 267–294.

Bengtsson, M. and Kock, S. (2000) Coopetition in business networks – to cooperate and compete simultaneously. *Industrial Marketing Management* 29, 411–426.

Bleeke, J. and Ernst, D. (1993) *Collaborating to Compete*. John Wiley, New York.

Borden, L.M. (1997) Community collaboration: when the whole is greater than the sum of parts. PhD thesis, University of Illinois, Urbana-Champaign, Illinois.

Bramwell, B. and Lane, B. (2000) *Tourism Collaboration and Partnerships: Politics, Practice and Sustainability*. Channel View Publications, Clevedon, UK.

Bramwell, B. and Rawding, L. (1994) Tourism marketing organizations in industrial cities: organizations, objectives and urban governance. *Tourism Management* 15, 425–434.

Brandenburger, A.M. and Nalebuff, B.J. (1996) *Co-opetition*. Currency-Doubleday, New York.

Buhalis, D. and Cooper, C. (1998) Competition co-operation? Small and medium sized tourism enterprises at the destination. In: Laws, E., Faulkner, B. and Moscardo, G. (eds) *Embracing and Managing Change in Tourism: International Case Studies*. Routledge, London, pp. 324–346.

Burt, R.S. (1997) The contingent value of social capital. *Administrative Science Quarterly* 42, 339–365.

Carrol, A.B. (1991) The pyramid of corporate social responsibility: toward the moral management of organizational stakeholders. *Business Horizons* 34, 39–48.

Carrol, A.B. (1999) Corporate social responsibility: evolution of a definitional construct. *Business and Society* 38, 268–295.

Doz, Y. (1988) Technology partnerships between larger and smaller firms: some critical issues. *International Studies of Management and Organization* 17(4), 31–57.

Doz, Y. (1996) The evolution of cooperation in strategic alliances: initial conditions or learning processes? *Strategic Management Journal* 17 (Summer Special Issue), 55–83.

Dredge, D. (2006) Policy networks and the local organization of tourism. *Tourism Management*, 27, 269–280.

Duncan, R.B. (1972) Characteristics of organizational environments and perceived environmental uncertainty. *Administrative Science Quarterly* 17, 313–327.

Freeman, R.E. (1984) *Strategic Management: A Stakeholder Approach*. Pitman, Boston.

Fyall, A. and Garrod, B. (2004) *Tourism Marketing: A Collaborative Approach*. Channel View Publications, Clevedon, UK.

Gnyawali, D.R. and Madhavan, R. (2001) Cooperative networks and competitive dynamics: a structural embeddedness perspective. *Academy of Management Review* 26, 431–445.

Grangsjo, Y. (2003) Destination networking: co-opetition in peripheral surroundings. *International Journal of Physical Distribution and Logistics Management* 33, 427–448.

Granovetter, M.S. (1985) Economic action and social structure: the problem of embeddedness. *American Journal of Sociology* 91, 481–510.

Gray, B. (1985) Conditions facilitating interorganizational relations. *Human Relations* 38, 911–936.

Gray, B. (1989) *Collaborating*. Josey Bass, San Francisco.

Gulati, R. (1998) Alliances and networks. *Strategic Management Journal* 19, 293–317.

Gunn, C.A. (1988) *Vacationscape: Designing Tourism Regions*. Van Nostrand Reinhold, New York.

Hagedoorn, J. (1993) Understanding the rationale of strategic technology partnering: interorganizational modes of cooperation and sectoral differences. *Strategic Management Journal* 14, 371–385.

Hagedoorn, J. and Schakenraad, J. (1994) The effect of strategic technology alliances on company performance. *Strategic Management Journal* 15, 291–309.

Hamel, G. (1991) Competition for competence and inter-partner learning within international strategic alliances. *Strategic Management Journal* 12 (Summer Special Issue), 83–103.

Henderson, J. (2001) Strategic alliances and destination marketing in the Greater Mekong Subregion. *Pacific Tourism Review* 4, 149–159.

Huxham, C. (1996) *Creating Collaborative Advantage*. Sage, London.

Inskeep, E. (1994) *National and Regional Tourism Planning: Methodologies and Case Studies*. Routledge, London.

Jamal, T.B. and Getz, D. (1995) Collaboration theory and community tourism planning. *Annals of Tourism Research* 22, 186–204.

Kale, P., Singh, H. and Perlmutter, H. (2000) Learning and protection of proprietary assets in strategic alliances: building relational capital. *Strategic Management Journal* 21, 217–237.

Kogut, B. (1988). Joint ventures: theoretical and empirical perspectives. *Strategic Management Journal* 9, 319–332.

Koza, M.P. and Lewin, A.Y. (1998) The co-evolution of strategic alliances. *Organizational Science* 9, 255–264.

Laws, E. (1995) *Tourism Destination Management: Issues, Analysis and Policies*. Routledge, New York.

Lynch, R.P. (1990) Building alliances to penetrate European markets. *Journal of Business Strategy* 11(2), 4–8.

McCann, J. (1983) Design guidelines for social problem-solving interventions. *Journal of Applied Behavioral Science* 19, 177–189.

Moore, J.F. (1993) Predators and prey: a new ecology of competition. *Harvard Business Review* 71, 75–86.

Murphy, P.E. (1985) *Tourism: A Community Approach*. Methuen, New York.

Nalebuff, B.J. and Brandenburger, A.M. (1993) Co-opetition: competitive and cooperative business strategies for the digital economy. *Strategy and Leadership* 25(6), 28–35.

Ohmae, K. (1989) The global logic of strategic alliances. *Harvard Business Review* 67 (March–April), 143–154.

Palmer, A. (2002) Cooperative marketing association: an investigation into the causes of effectiveness. *Journal of Strategic Marketing* 10, 135–156.

Palmer, A. and Bejou, D. (1995) Tourism destination marketing alliances. *Annals of Tourism Research* 22, 616–629.

Parkhe, A. (1993) Strategic alliance structuring: a game theoretic examination of interfirm cooperation. *Academy of Management Journal* 36, 794–829.

Pearce, D. (1989) *Tourist Development*. John Wiley, New York.

Pearce, D. (1992) *Tourism Organizations*. Longman, Harlow, UK.

Pfeffer, J. and Salancik, J. (1978) *The External Control of Organizations: A Resource-Dependence Perspective*. Harper and Row, New York.

Porter, M.E. (1990) *The Competitive Advantage of Nations*. Free Press, New York.

Prahalad, C.K. and Hamel, G.G. (1990) The core competence of the corporation. *Harvard Business Review* 68(3), 79–91.

Prideaux, B. and Cooper, C. (2003) Marketing and destination growth: a symbiotic relationship or simple coincidence? *Journal of Vacation Marketing* 9, 35–51.

Rainey, H.G. (1983) Public agencies and private firms: incentives structures, goals, and individual roles. *Administration and Society* 15, 207–242.

Ring, P.S. and Van de Ven, A.H. (1994) Developmental processes of cooperative interorganizational relationships. *Academy of Management Review* 19, 90–118.

Saxena, G. (2005) Relationships, networks, and the learning regions: case evidence from the Peak District National Park. *Tourism Management* 26, 277–289.

Selin, S. (1993) Collaborative alliances: new interorganizational forms in tourism. *Journal of Travel and Tourism Marketing* 2, 217–227.

Selin, S. and Beason, K. (1991) Interorganizational relations in tourism. *Annals of Tourism Research* 18, 639–652.

Selin, S. and Chavez, D. (1995) Developing an evolutionary tourism partnership model. *Annals of Tourism Research* 22, 844–856.

Terpstra, V. and Simonin, B. (1993) Strategic alliances in the triad: an exploratory study. *Journal of International Marketing* 1, 4–25.

Vernon, J., Essex, S., Pinder, D. and Curry, K. (2005) Collaborative policymaking. *Annals of Tourism Research* 32, 325–345.

Waddock, S.A. (1989) Understanding social partnerships: an evolutionary model of partnership organizations. *Administration and Society* 21, 78–100.

Wang, Y. and Fesenmaier, D. (2007) Collaborative destination marketing: a case study of Elkhart County, Indiana. *Tourism Management* 28, 863–875.

Wang, Y.C. and Xiang, Z. (2007) Towards a theoretical framework of collaborative destination marketing. *Journal of Travel Research* 46, 75–85.

Watkins, M. and Bell, B. (2002) The experience of forming business relationships in tourism. *International Journal of Tourism Research* 4, 15–28.

Weaver, D. and Opperman, M. (2000) *Tourism Management*. John Wiley, Sydney, New South Wales.

Williamson, O.E. (1975) *Markets and Hierarchies*. Free Press, New York.

Williamson, O.E. (1985) *The Economic Institutions of Capitalism*. Free Press, New York.

Witt, S.F. and Moutinho, L. (1989) *Tourism Marketing and Management Handbook*. Prentice Hall, New York.

Wood, D.J. (1991) Corporate social performance revisited. *Academy of Management Review* 16, 691–718.

Wood, D.J. and Gray, B. (1991) Towards a comprehensive theory of collaboration. *Journal of Applied Behavioral Science* 27, 139–162.

17 Tourism Development and Destination Community Residents

Claudia Jurowski

————————————

Introduction

A major component of the tourism experience is the interaction the visitor has with the local people. Consequently, the importance of community support for the tourism industry cannot be understated. While consumer evaluation of a tourism experience is a result of a number of factors, the manner in which visitors are received by residents is undeniably a critical component. The marketing cost of overcoming negative word of mouth that results from rude treatment or a feeling of not being welcome can be significant. Murphy (1985) was one of the first to focus attention on how tourism affects the community by explaining that citizens are affected by the outcomes of tourism development and 'should have greater input into how [their] community is packaged and sold as a tourism product on the world market' (Murphy, 1985, p. 16).

Communities engage in tourism development with the expectation that a viable tourism industry will improve their quality of life. Objective measures, even those that include social and environmental measures along with economic measures, do not provide a complete picture without the subjective measure of how individuals evaluate their quality of life. Consequently, the value of tourism to a community must include community members' feelings about and perception of the objective conditions within the community (i.e. economic activity, climate, social/cultural institutions and environmental conditions) (Cutter, 1985; Andereck and Jurowski, 2006).

Consequently, policy makers need information about how an area is doing not only from a broad-based quantitative perspective, but also from a subjective perspective that incorporates how citizens perceive the factors that contribute to their own quality of life and how they collectively think their region or area is doing. To that end, decision makers need to understand the perspective of community residents in relation to how they experience tourism; in other words, the extent to which residents feel tourism improves or worsens their quality of life. To create quality tourism experiences for both residents and tourists, it is important to identify specific aspects of tourism that reduce the quality of experiences so that measures can be taken to mitigate problems. Knowledge of the way that residents assess costs and benefits of tourism as well as the extent to which they feel tourism is responsible for those costs and benefits is vital to decision makers. Hence, an understanding of the dynamics of resident attitudes is critical to destination and industry managers and marketers.

The critical component of residents' perceptions is their evaluation of how tourism

affects their lives. Tourism products and facilities such as festivals, restaurants, natural and cultural attractions, and outdoor recreation opportunities facilitate enjoyable tourism experiences for residents in addition to the economic benefits of a higher personal standard of living, increased tax revenues and increased employment that some members of the community enjoy. These positive experiences, however, can be overridden by negative effects such as crowding, traffic and parking problems, increased crime, increased cost of living, friction between tourists and residents, and changes in the residents' way of life. The nature of the impact is related to the size, scope and type of tourism in relation to the population and values of the community members.

Positive and Negative Impacts of Tourism

The impacts of tourism are traditionally discussed in three domains – economic, social and environmental – each of which has positive and negative effects. On the economic front, the tourism industry brings increased employment opportunities, investments and profitable local businesses. The influx of new money results in increased income for individuals and tax revenues. Additionally, tourists create a demand for local products and services which keeps money in the local economy to facilitate economic growth. Citizens often benefit from infrastructure development, such as new airports or improved sewerage systems, that are developed to facilitate a tourism industry. A major economic advantage tourism that brings to a community is that of economic diversification which protects a community from economic collapse in the case of industry downturn. Conversely, tourism is detrimental to a community when it results in increased demand for local products which raises the prices of food and other staples. The inflation of land values may be an advantage to those who wish to sell property, but a burden for those who have to pay higher taxes because the value of the property has risen. Also, the advantage created by

new jobs can result in the displacement of traditional patterns of labour. Tourism employment is often seasonal, resulting in unemployment for a significant percentage of the community off season. Finally, tourism has been accused of causing economic duality, which creates wealthy investors and working poor. In the poorest destinations, as much as 97% of the income from tourists leaks out of the economy before it has had a chance to generate economic growth. Further, the economic impacts of tourism experiences on residents vary considerably within a community. For example, vacation home development can create a tax burden on local residential property owners (Fritz, 1982), and tourism development has been found to increase government debt and the cost of living for residents (Crotts and Holland, 1993).

Although residents generally favour the economic benefits of tourism, the social/cultural domain is an equally important component in the overall community attitude towards tourism because of its impact on their quality of life. Tourism development directly affects residents' habits, daily routines, social lives, beliefs and values. The influx of tourism changes a community in both positive and negative ways. The most frequently mentioned negative social impact is that of overcrowding and traffic congestion, while the most commonly identified positive social impact is the opportunity to interact with new and interesting people. Tourism can create a favourable image for the destination, thus increasing residents' pride in their community and in their local arts, crafts and cultural expressions. However, when tourist demand exceeds the ability of a community to produce enough cultural artefacts, entrepreneurs are encouraged to sell mass-produced replicas, thereby lowering the value of traditional works of art and reducing the cultural significance of the object. Areas with high levels of tourism activity often experience an increase in population as a result of tourists falling in love with the community and relocating there. The result can be significant changes in the social character of the community (Perdue *et al*., 1991; Christensen, 1994). Loss of residential

identity and local culture often occurs when a high growth rate with poor planning and growth management are combined (Rosenow and Pulsipher, 1979). Other negative socio-cultural consequences of tourism include a decline in traditions, drug trafficking, prostitution, materialism, increase in crime rates and social conflicts. A great difference in wealth between the visitor and the residents creates feelings of resentment and antagonism. At the same time, tourism assists in the process of modernization and facilitates entry into the economic system in areas where the economy is largely subsistence based. Entrepreneurs selling goods on a blanket in the street make contact with suppliers and develop business skills. Culturally, tourism provides support for cultural events, historic preservation and entertainment resulting in a stronger cultural identity.

Tourism has been promoted to communities as a clean economic development tool compared with heavy industry and, indeed, tourism causes less environmental damage than steel mills; but it still has the potential to cause significant environmental damage because it is often developed in areas that have attractive but fragile environments. The principle environmental consequences of tourism are depletion of natural resources, pollution and physical changes. With tourism comes a greater demand for water, energy, food, raw materials and land, resulting in fewer resources for the residents. Air, noise, solid waste, litter, sewage and releases of toxic materials all contribute to a less pristine environment. The most visible impacts on the environment are the physical changes that occur from construction that clears land, obstructs views and changes the appearance of the setting. Problems arising from the extensive use of natural resources include: wildlife destruction as a result of hunting, trapping and fishing, and disruption of the natural habitat; plant destruction, deforestation, over-collection of plant specimens, forest fires and trampling of vegetation; and destruction of wetlands, soil, coral and coastal dunes. Yet tourism can also result in more environmental awareness and appreciation of the environment, and bring about increased consumer support for environmental protection.

Tourism gives economic value to natural resources, thereby encouraging the preservation of land, water and wildlife. The arrival of visitors often prompts clean-up campaigns and other beautification efforts, resulting in a more pleasant environment for the residents.

Considerable research has focused on the impact of tourism on local communities for good reason. When the community supports tourism, residents are more likely to support tax dollars spent on infrastructure improvement, and taxation such as the hospitality tax commonly imposed on accommodation, food and beverages. Without resident support, public officials may be blocked from funding infrastructure such as a visitor centre needed to provide a pleasant experience for the tourists and support for local tourism businesses. Perhaps most important is the nature of the interaction of residents and visitors. Pleasant attitudes and helpfulness can overcome weaknesses in supply or infrastructure. However, when residents feel visitors are intruding or competing for resources, they are less likely to be welcoming and helpful, giving rise to an unpleasant experience for the visitor and destructive word of mouth opinions. Consequently, it is critical to measure and monitor residents' attitudes to destination development.

Background

Predictors of resident perceptions of tourism

Residents who perceive greater levels of personal benefit from tourism express more positive attitudes towards tourism and are more supportive of tourism development than those who feel that tourism does not benefit them personally (Liu and Var, 1986; Perdue et al., 1990; Lankford and Howard, 1994; Jurowski et al., 1997; McGehee and Andereck, 2004; Dyer et al., 2007; Oviedo-Garcia et al., 2008). When residents are categorized into those who receive direct economic benefit from tourism and those who do not, it becomes evident that the former perceive the tourism industry in a more positive manner

(Liu *et al.*, 1987; Allen *et al.*, 1990; Haralambo-poulos and Pizam, 1996). Residents who are themselves or who have family employed in the tourism industry tend to have more positive perceptions of the impacts of tourism than other residents (Allen *et al.*, 1988; Lankford and Howard, 1994; Haralambopou-los and Pizam, 1996; Jurowski *et al.* 1997; Deccio and Baloglu, 2002; Sirakaya *et al.*, 2002). The social exchange theory offers an explanation for this phenomenon. This theory proposes that those who value the benefits of tourism and evaluate the benefits as greater than the costs will be supportive of tourism development efforts, while those who see greater costs or who have little value for the rewards will not be supportive.

Social exchange theory suggests that individuals will engage in exchanges if: (i) the resulting rewards are valued; (ii) they believe the exchange is likely to produce valued rewards; and (iii) perceived costs do not exceed perceived rewards (Skidmore, 1975). The theory assumes that individuals select exchanges after having assessed the costs and benefits (Homans, 1961). Theoretically, when residents view tourism as potentially or actually valuable and believe that the costs do not exceed the benefits, they will favour the exchange and will consequently be supportive of destination development efforts (Turner, 1986). However, when the cost of tourism is seen to exceed the benefits, residents will oppose its growth and/or development.

The basic precepts of the social exchange theory are implied in a considerable amount of research related to residents' reactions to tourism development (Perdue *et al.*, 1990; Ap, 1992; Jurowski, 1994; Lindberg and Johnson, 1997; Gursoy *et al.*, 2002). The relationships between and among the perceived benefits, perceived costs, perceived impacts and support for tourism have been explored based on the theory that residents will support tourism if they view it as potentially or actually valuable, and believe that the costs do not outweigh the benefits (Pizam 1978; Tyrell and Spaudling, 1984). Resident attitude studies ask residents to evaluate the effects (commonly referred to as impacts) of tourism and then to render an opinion about tourism as

well as describe the degree to which they support its development (Milman and Pizam, 1987; Gee *et al.*, 1989; Perdue *et al.*, 1990; Gursoy *et al.*, 2000). Favourable impacts have been described as 'benefits' while unfavourable impacts are considered 'costs'. Theoretically, support for or opposition to tourism is based on an analysis of its costs and benefits.

The benefits of tourism are both economic and social. The most commonly studied economic benefits include employment opportunities (Belisle and Hoy, 1980; Tyrrell and Spaulding, 1984; Davis *et al.*, 1988; Ritchie, 1988) and revenue for communities (Murphy, 1985; Tyrrell and Spaulding, 1984; Davis *et al.*, 1988; Lankford, 1994; Jurowski *et al.*, 1997). Research findings support the theory that residents perceive tourism as an activity generating employment and revenue. Social benefits have been identified as improved opportunities for shopping and recreation, improved services such as police and fire, improved infrastructure, improved preservation of the local culture and opportunities to interact with visitors. Research has demonstrated the positive relationship between the social benefits of tourism and resident feelings about tourism (Pizam, 1978; Allen *et al.*, 1988; Keogh, 1990; Perdue *et al.*, 1990; Jurowski, 1994; Jurowski *et al.*, 1997; Yoon, 1999).

Perceptions of crime and congestion have been the most frequently examined costs for the host community. Several studies have found that residents perceive traffic congestion as a major problem created by tourism activities (Milman and Pizam, 1988; Ritchie, 1988; Keogh, 1990; Jurowski *et al.*, 1997). A number of researchers examined the link between the perception that tourism contributes to increased crime and support for its development. However, findings have been contradictory and not conclusive (Lankford, 1996). While several researchers reported that crime is related to resident perceptions of tourism development (Belisle and Hoy, 1980; Liu *et al.*, 1987; Milman and Pizam, 1988; Lankford, 1996), others were not able to confirm the relationship between crime and tourism (Pizam, 1978; Allen *et al.*, 1993; McCool and Martin, 1994; Jurowski *et al.*, 1997). Lankford (1996) examined the link

between crime and tourism by exploring the perception of it from a sociodemographic perspective. He reported that rural population, long-term residents, farmers, recreationists and the younger segments of the community perceive that tourism contributes to an increase in crime. The research of the past two decades confirms that tourism has costs as well as benefits, and that perceived costs are negatively related to residents' reactions to its development (Milman and Pizam, 1988; Ritchie 1988; Keogh, 1990; Prentice, 1993; Jurowski, 1994; Jurowski et al., 1997; Gursoy et al., 2000; Lee and Back, 2003). However, all residents do not evaluate costs and benefits in the same manner. Studies have identified a variation in residents' evaluations of the costs and benefits of tourism based on differences in their participation in recreation (Keogh, 1990; Perdue et al., 1990), attachment to the community or length of residence (Um and Crompton, 1987), knowledge about the industry (Davis et al., 1988), proximity to its business zone, or contact with tourists (Belisle and Hoy, 1980; Sheldon and Var, 1984; Jurowski and Gursoy, 2004), sociodemographic characteristics (Brougham and Butler, 1981; Ritchie, 1988), political and demographic position in society (Thomason et al., 1979; Mansfeld, 1992), type and form of tourism (Murphy, 1985; Ritchie, 1988) and economic benefits derived from the industry (Pizam 1978; Liu and Var, 1986; Ap, 1992; Prentice, 1993).

Several models based on the social exchange theory have proposed explanations for variations in resident attitudes to tourism (Ap, 1992; Jurowski, 1994; Jurowski et al., 1997; Lindberg and Johnson, 1997; Gursoy et al., 2002; Lee and Back, 2003). Jurowski's (1994) model demonstrates that attitudes towards tourism are influenced by residents' perceptions of the economic, social and environmental impacts, e.g. tax revenues and traffic congestion, and that these perceptions are influenced by perceived economic gain, the level of use of the recreation resource, and attitudes about humankind's role in the preservation of the natural environment. Gursoy et al. (2002) modified the Jurowski (1994) model by segregating the variables in the economic, social and environmental impact constructs into costs and benefits in order to examine the influence of the perceptions of costs and benefits on support for tourism. These two structural models provide evidence of a relationship between the evaluation of the costs and benefits and support for tourism. Several factors affect the way that residents evaluate rewards in relation to the costs. Expectations of economic benefits have the largest positive effect on support of local residents. Residents who received the greatest economic benefits favour tourism more than those who receive fewer or no benefits (Ritchie, 1988; Perdue et al., 1990; Akis et al., 1996). In like manner, there is a direct relationship between the positive evaluation of social and cultural impacts and support for tourism (Madrigal, 1993; Lankford and Howard, 1994; Brunt and Courtney, 1999; Besculides et al., 2002). Residents who fear that tourism development will destroy or damage the environment are opposed while those who see tourism as an incentive to preserve and protect the natural environment are supportive (Butler, 1980; Liu and Var, 1986; Martin and Uysal, 1990). The studies confirm the direct relationship between a positive evaluation of the benefits and costs and support for tourism development, and explain the differences in residents' perceptions of the costs and benefits.

The differences in evaluation of benefits and costs are based on a number of factors. Long-time residents and those who feel an emotional bond to the community use different criteria to evaluate the impacts from those who have not developed strong bonds or feelings of attachment to the community (Allen et al., 1988; Jurowski, 1994; Lankford, 1994; McCool and Martin, 1994; Gursoy et al., 2002). Residents who use the recreation resource that attracts the tourists may be more concerned about overcrowding and may have a greater desire for infrastructure improvements. Consequently, users of the recreation base will have a different perspective from those residents who do not use the recreation base (Keogh, 1990; Jurowski, 1994; Lankford et al., 1997). Residents who are more knowledgeable about tourism and those who are most concerned about the local economy will use a different set of criteria to evaluate

the impacts of tourism from those who know little about the industry or the local economy (Davis *et al.*, 1988; Lankford, 1994; Gursoy *et al.*, 2002). In addition, studies have demonstrated that evaluation of the costs and benefits of tourism varies with sociodemographic characteristics (Ritchie, 1988; Williams and Lawson, 2001), political and demographic position in society (Thomason *et al.*, 1979; Mansfeld,1992), level of contact with tourists (Brougham and Butler, 1981; Lankford, 1994; Akis *et al.*, 1996), environmental attitudes (Jurowski *et al.*, 1997; Gursoy *et al.*, 2002) and type and form of tourism (Murphy, 1985; Ritchie, 1988; Jurowski, 1994; Gursoy *et al.*, 2002).

While most of the earlier studies offered evidence to support the social exchange theory, the direct association between beliefs about whether the benefits of tourism exceed the costs or not, and support or opposition to tourism development and tourism development strategies, was demonstrated in a study of the residents of eastern Florida (Jurowski *et al.*, 2006). In contrast, another study (on hosting mega events) found that perceived costs did not have a significant effect on support for tourism (Gursoy and Kendall, 2007). Yet another study of a former mining community concluded that perception of the positive and negative effects of tourism is the principal factor that determines the attitude of the resident population towards more tourism development where there was a positive relationship between more tourism development and perceived benefits and a negative relationship with perceived costs (Vargas-Sánchez *et al.*, 2009).

Factors that affect the intensity and direction of tourism impacts

Tourism has been an attractive development activity since the 1960s when the growing middle classes in Western industrial nations created a boom in demand for the attributes of many non-industrialized nations: sunny climates, sandy beaches and exotic cultures. It is particularly attractive to nations with emerging economies because tourism is seen as a means to quickly create new jobs, generate foreign exchange, provide a rapid return on investments, and bring technology and training to improve the living standard of the developing world.

Impacts vary with the economic strength of a community, the relative importance of tourism to the economy and economic development policies. The degree to which tourism can provide economic benefits varies with the number of people employed (Peppelenbosch and Templeman, 1989), the type of employment opportunities offered to local people (Smaoui, 1979), the jobs created per investment dollar (Archer, 1973; Brownrigg and Greig, 1974; McNicoll, 1976). The measure of foreign receipts and, especially, the net income generated by those receipts that a country can expect from tourism expenditure is dependent upon national policies and a variety of country characteristics. A high demand for imports, expatriate workers and international owners without adequate protection can leave a country with slight foreign currency advantages. Local economic benefits are higher when policies require local ownership or management training for local people as opposed to laissez-faire policies. The effect of policy decisions increases in importance when one considers that the benefits are not without economic and social costs. Loss of workers in the agricultural segments has resulted in abandonment of crop cultivation as, for example, in St Lucia, where because the banana harvest and the peak tourism season coincided, no workers could be found to harvest the crop. Also, heavy unemployment results after the construction phase of tourism development and in the off season when workers are no longer needed (Young, 1973).

The level of sophistication of the tourism industry also influences the strength and direction of its impacts. The experience curve, economies of scale, and marketing linkages of international hotel chains, tour wholesalers, intermediaries and airlines empower these organizations to manipulate the type of products created in underdeveloped countries. Small-scale local operators who have limited resources, limited experience and few connections with the industry are dependent

upon the dominant sector enterprises and, ultimately, foreign tourism corporations to provide their market. Consequently, the economic benefits to the host country are minimized (Britton, 1981). Factors such as the availability of labour, the amount of land suitable for hotel development, the capacity of the roads or the principal tourist attraction influence the extent and direction of the impacts (Young, 1973).

Other supply-side factors include the fragility of the natural environment, the strength of the culture and extent of infrastructure development. For example, the negative impact on the community of Sedona, Arizona (Red Rock country), has been minimal because the natural environment is largely rock, the culture is strong and sufficient funds were available to update a stressed sewage system. In contrast, a marginalized community in a less developed country with a fragile mountain environment such as Nepal has incurred significant negative impacts from tourism. Without appropriate management and infrastructure development, the environment suffered from erosion, litter and lack of proper sewage treatment, while the culture was compromised by the demonstration of Western values brought to the region.

On the demand side, a significant factor in determining the effect of tourism is the scale or number of visitors in relation to the local population. A small number of tourists will have little effect while larger numbers, especially in proportion to the population, can dramatically change the structure of a society, harm fragile cultures or environments, and demand a fully developed infrastructure. A great mass of tourists intensify the pressure on the environment through litter, trampling, deforestation, beach and mountain erosion, and destruction resulting from construction (Murphy, 1985). Studies in rural Colorado communities have indicated positive impacts until the percentage of retail sales receipts derived from tourism reached between 3.5 and 10.5% annually (Allen et al., 1988). A later study confirmed these findings, demonstrating that the perceived contribution of tourism to quality of life peaked when the amount of retail sales derived from tourism was approximately 9% (Botkin et al., 1991).

Along with the volume of tourists, other market factors influence the impact of tourism: length of stay, activities, and the cultural, psychographic and demographic characteristics of tourists. Longer staying visitors will have greater impact on a host population and the environment through increased contact, and this may erode a fragile culture. A prime consideration in determining the impact of tourism is the nature and composition of the various groups involved and the relationships between them. The basic dichotomy of hosts and guests must be examined in light of their differences. The greater the difference in cultures, levels of affluence and preferred activities between the visitors and the local population, the more their impact will be felt (Crandall, 1987). Theoretically, there is a positive relationship between the number of tourists and the willingness of the tourists to adapt to cultural norms (Smith, 1977). The activities of tourists determine the amount of contact that a community will have with tourists. Large volumes of tourists that demand Western amenities are more likely to alter forms and types of occupation, values, the traditional way of life and consumption patterns (Pearce, 1989).

While tourism impacts can be measured, the evaluation of the costs and benefits of the impacts varies with political persuasion and attitudes towards tourism development. Personal and community values of the observer affect the determination of whether the impacts are positive or negative. Unanimous support or opposition is not likely to be found in any community. Those with a vested interest in tourism are likely to be the strongest supporters, while opposition can come from various fronts, including those who feel that tourism does not bring in enough benefits to justify the costs and believe that public funds would be better spent on other projects, environmentalists who feel tourism is harmful to the natural environment, citizens who do not want to see changes in their community, and those who are simply annoyed by the inconvenience caused by the crowding and congestion that results from tourist visits. Within any community, there is most likely a combination of impacts, some of which are viewed as positive while others are viewed as

negative. It is the overall evaluation of the consensus of the community that results in support or opposition for tourism.

Application

Destination managers and developers need to be aware of influencers of residents' attitudes towards tourism and put in place plans to manage them. The most critical management techniques are education and inclusion. Keeping the community informed of the benefits of tourism and involving members in the planning process is the best defence against negative community attitudes. It is important to recognize that there are a variety of individual values in a community. Three specific groups are particularly important to destination planners, developers and managers: (i) those with strong feelings of attachment to their community; (ii) those who use the same resources as visitors do; and (iii) those who are concerned about environmental protection/preservation. An understanding of how to gain the support of these three groups can go a long way towards the development of projects with community support.

The first of these groups, residents with strong feelings of attachment, have deep feelings about either the natural environment or the people within the community. These residents express greater sadness when forced to think about leaving and a greater interest in local affairs. Longer term residents, those who have a higher social standing in the community, and those in a later stage in the life cycle, are generally the most likely to feel attached. The positive feelings about the community may develop from the social bonds that residents establish as members of local organizations. However, newcomers who were attracted to the community by their tourism experience are also likely to feel a sense of emotional attachment to a community. They are likely to have a fondness for either the physical or human environment or both. The emotional bond of attachment spawns a deep concern for improving the quality of life in their place of residence. Attached individuals are also concerned

about developing economic opportunities for the younger members of the community, who otherwise may be forced to move away in search of employment. Consequently, attached residents tend to care more about their community than those whose feelings towards their place of residence are more ambivalent. It is therefore important to gain their support.

Projects that promise social and environmental benefits will get more support from attached citizens than those that promise solely economic rewards. These constituents are most concerned about expressing and maintaining the character of their community. They may complain about congestion, traffic problems, difficulties in getting a parking place, longer shopping lines or the loss of a favourite spot in the local restaurant or attraction. However, these impacts are considered relatively minor irritants that attached residents would be willing to put up with if they perceived that the end result was good for the community as a whole. Resentment of the effects of tourism will be expressed if residents feel the character of their community is being changed to support tourism development, but if they perceive the changes as community improvement, they are more likely to be supportive. It is important that these residents perceive that they have control over the form and function of their own community, and involving them in the early stages of tourism development may reap considerable benefits.

While attached residents may support tourism development in general because they view it as good for their community, they will object to certain types of tourism. Attached citizens are most likely to support projects that provide opportunities for self-expression. High-impact tourism, which encompasses large projects such as resort complexes, theme parks and the like, will be opposed by this group. These types of ventures rarely express the nature of the community as seen by its citizens and most frequently require financial resources beyond the means of many communities. The 'threat' of outsiders controlling their community is of particular concern to those who are emotionally attached to it. Their opposition to large-scale projects is

logical because this group is interested mainly in benefits for the people who live in their community. These citizens may also object to such projects because they are more likely to reflect the nature of outside developers or a tourist's conception of what the community should be than the ideas or culture of the host community. However, opposition may be minimized if the residents can be shown that significant social and/or environmental benefits will be derived for the community from the proposed development. Developers who focus purely on the economic benefits to be derived may not gain the support they seek. Instead, attached residents prefer culture- or event-based tourism. Programmes designed to restore and/or preserve historically important structures, customs, traditions or artefacts will gain significant support from this group of residents. By proposing a means for residents to preserve and express what is valued by them, tourism developers will have a source of support for their efforts and a potential for volunteer energy.

One of the first steps in soliciting the support of attached residents is to determine how the residents view the character of their community, i.e. how they determine who they are culturally. To get a feel for how the community members see their homestead the local newspaper can be encouraged to sponsor a contest in which citizens are asked to contribute proposals for a town slogan, flag, motto or mural. The analysis of the entries can give planners a picture of what the citizens consider to be the character of their home town. To get a more representative sample of resident feelings, a survey can be developed based on the contest entries. The results of the contest and survey will provide information on appropriate development themes for events, architectural schemes, and/or entrepreneurial incentives. Table 17.1 describes actions which have assisted some communities in reducing conflict and creating citizen ownership of tourism development projects.

Like the 'attached' residents, the second community group important in tourism development consists of those who use the same resource as visitors and are concerned about how tourism might change their ability to enjoy that resource. For example, local fishermen and water skiers are more concerned about an increase in the number of

Table 17.1. Activities designed to secure the support for tourism development of citizens who are attached to their communities.

Involve citizens in the planning process.

Establish a focal point and common theme.

Develop projects which provide a means for members to express their heritage, culture or who they think they are, such as:

A community photo exhibit – Encourage citizens to share photos of community events in a specific decade. Feature a new decade each month. Display photos in prominent gathering places in town. Ask the local newspaper to feature selected photos and a story. A portable photo display can be taken to clubs and to meetings of organizations.

Oral history recordings – Gather oral histories from the oldest citizens in town. A local history teacher may wish to take this on as a project for high school classes. Print the most interesting stories in the local newspaper.

Image formation – Develop a logo and theme. Use the theme on bumper stickers, local government stationery, public buildings and vehicles, etc. Encourage local businesses to incorporate the logo or theme in their displays, stationery, etc.

Protect citizens from crowding by encouraging restaurants to reserve tables for locals.

Reduce the effects of rising costs by offering discount prices in restaurants or tourist attractions for citizens.

Sponsor an annual locals' day, week or even month where citizens can tour or enjoy tourist facilities free. For example, Lion Country Safari in Palm Beach County, Florida, provided free admission to local residents for a month.

people who use the local water-based resource than those who have no interest in water sports. Likewise, those interested in arts and crafts, shopping or amusements have different reasons for encouraging the development of tourism than those whose lives are not involved with the related resources.

The resource user balances the positive and negative effects of increasing the number of people who use the same resources with his/her own interests in mind. The more likely individuals believe that an increase in tourism will result in improved facilities, the more they will be inclined to support tourism. When residents view tourists as competitors for a scarce resource, they may oppose any new development unless their interests are protected. Users evenly balance the positive effect of improved facilities with the negative effect of crowding. This group is relatively ambivalent to the economic impacts of tourism. Their support can be gained by focusing on improvements to the physical environment. Recreationists, shoppers, or culture champions will be the best source of volunteer help for festivals and events that are centred on their interests. Furthermore, users will support nature- and culture-based tourism activities if they believe potential positive social or environmental benefits can be derived from such activities. The strongest reaction against tourism development will be towards large-scale projects.

The first step in soliciting the support of community resource users is to determine their interests, hobbies and activities. The least expensive method for gathering information about this segment of the population is through observation. A count of the number of local participants in the activities that would be affected by an increase in usage will yield important information. Secondly, it is important to determine whether the activities are more or less enjoyable for the user when the number of participants is increased. Thirdly, an assessment of what facilities and services users would like to see improved should be made. Surveys that analyse a random sample of participants who are representative of typical users are most effective for drawing conclusions about the factors important to the resource user.

Once the extent of potential conflict and potential advantages resulting from tourism development has been discovered, planners will have the knowledge necessary to gain the support of the resource user. Involving the local bass club in fishing tournaments, cyclists in the development of a race, car enthusiasts in road rallies and the like will provide the user with the incentives to contribute to the development of tourism events and may lead to the construction of a permanent attraction.

It is equally important to recognize areas that are sacred to the local activist. It is common for recreationists to have areas that they consider special or unique and which they would like to protect from intruders. One approach that could be considered is limiting the type of use or the number of users permitted in these 'special' areas. Another way to protect the interests of the host community resident is to form organizations whose members have exclusive use of specific sites. Yet another means of soliciting the support of the user is to allocate a portion of the funds collected from tourism to the development of facilities or services desired by the local user. Table 17.2 lists activities that may assist destination managers in gaining the support of community resource users.

The third segment of the resident population concerned about tourism development is interested in protecting the resource and comprises environmentalists who are more likely to focus on the negative impacts of tourism. They do not believe that the earth has plenty of natural resources or that the balance of nature is strong enough to cope with the impacts of modern industrial nations. They oppose the attitude that humans have the right to modify the natural environment to suit their needs. However, even though media coverage of environmentalists' activities would suggest that this group of people would oppose all development plans, there is evidence that they might support certain types of development.

When asked to evaluate the benefits and costs of tourism development, environmentalists generally perceive more costs than benefits. They tend to see traffic congestion, crime and cost of living increases as more

Table 17.2. Activities designed to secure support of community resource users for tourism development.

Provide opportunities for local young people to build skills or knowledge concerning the affected activity
Involve users in events that feature their interests, for example, bow-shooting contests, camp-a-thons,
  bike races, fishing tournaments and water-ski shows
Set aside specific areas for 'club' members only to protect 'sacred' sites
Allocate funds to the development of facilities favoured by the local user

Table 17.3. Activities designed to secure support for tourism development of community groups
concerned about the environment.

Provide continuous information about how the project is designed to protect the environment
Include ecological educational programmes as part of the development scheme
Encourage participation of environmentalists in the development of events
Develop events based on environmental issues
Encourage environmentally concerned citizens to develop educational programmes for tourists

severe than do other groups. They may not value the benefits of increased opportunities for shopping or recreation, but find the preservation of the local culture important. Their perception of the economic impact of tourism is negative. They tend to believe that an increase in employment opportunities and revenues for local services is not worth the economic costs of providing services for visitors. In general, they perceive that the negative effects of tourism override the positive effects.

As would be expected, the environmentalists, unlike the attached residents or the recreationists, perceive that an increase in the number of tourists coming to an area would worsen the quality of the natural environment. Opposition increases in direct proportion to the extent of proposed changes to the natural environment, although this negative evaluation of the impacts of tourism does not lead to opposition for all types of tourism. Environmentalists will oppose high-impact tourism designed to attract a large number of visitors. They are more ambivalent towards culture- and history-based tourism, such as museums and visitor centres. They only mildly object to projects based on the natural environment, such as cabins in the forest or cross-country ski trails. Further, tourism that focuses on events may receive support from environmentalists, who view short-term, minimum-impact events as a positive means of self-expression for the community. As no permanent structures are erected for most events and festivals, the environmentalist does not find event-based tourism objectionable.

Specific actions should be planned by development organizations to reduce conflict with environmentalists. First, it is important to determine the level of environmental concern within a community. Then the results of that study can be used to evaluate development projects to determine which are acceptable to environmentalists. Table 17.3 offers a few suggestions which may help gain the support of those concerned about the environmental impacts of tourism.

For tourism to be a successful development strategy, the concerns and aspirations of the entire community should be identified and considered. The way people feel about their community, the use they make of the resources shared with the tourists and their ecological attitudes will bias residents' attitudes toward tourism. Generally, those who are attached to their community hold more favourable attitudes toward tourism. In contrast, sensitivity to environmental issues precipitates general opposition to tourism. Those who use the tourism resource have mixed feelings about tourism. The attached resident, the resource user and the environmentalist all usually oppose large-scale tourism projects but favour event-based attractions. By focusing on the concerns and goals of the community and by understanding why certain types of tourism proposals are disputed, tourism

developers can reduce conflict, stimulate volunteer activity and advance the goals of the community.

Case Study: Punta Cana Resort and Club

The aforementioned suggestions for gaining community support are designed for communities whose tourism has evolved over time. Creators of a new tourism development project have an opportunity to focus on benefits for residents from the outset. The Punta Cana Resort and Club in the Dominican Republic is a model for community-focused development. The resort is not only economically successful; it is socially and environmentally responsible and is creating a highly beneficial development for the residents.

Punta Cana is the fastest growing destination in the Caribbean. One-third of the foreign exchange dollars of the Dominican Republic is generated in this region. Its airport is the third busiest in the Caribbean, serving approximately 1.7 million arrivals annually. Within the region, there are more than 48 lodging operations that are largely all-inclusive resorts with 24,500 rooms, creating 35,000 jobs related to tourism.

When Ted Kheel purchased the 30 square miles on which Punta Cana Resort sits, it was raw land. There was no water, sewerage facilities, electricity, roads or buildings of any kind. The people that resided in the area lived off the land by cutting down trees to make charcoal. Together with Club Med, Ted Kheel and his partner Frank Rainier arranged access by building an airport. Today, the airport has been expanded; there is a commercial plaza with upscale shops, a golf course, water and sewerage systems, an electricity generating plant, schools, villas and numerous buildings.

Building a resort area from the ground up provided an opportunity to build a community. The nearest place for people to live which had infrastructure, including schools, was 45 minutes away by car or bus. The need to build a community was evident to the creators and the investors. Oscar de la Renta, one of the investors, explained: 'You have to create an environment for people to succeed. One of the most difficult things about Punta Cana was that there was no life for a family or infrastructure for family life. One of the first things … was not to make the place just for visitors, but to create a successful environment for workers so that they will be happy to live here with their families.' (Gupta and Gupta, 2006, p. 4). Through the establishment of the PUNTACANA Foundation, the Ann and Ted Kheel Polytechnic High School, the Rural Clinic of Veron and the PUNTACANA International School were built and supported. The technical school was the only high school within 50 miles of the airport. It provides technical skills and training to 350 students and supports evening adult education courses. The clinic was created from an agreement between a university, the secretary of public health, the community of Veron and the PUNTACANA Foundation. It services 50–70 patients daily, focusing in on emergency care, premature care, infectious disease, AIDS/HIV assistance and outreach programmes. The international school is a private bilingual school with more than 450 students. Scaled tuition creates opportunities for a wide socio-economic range of people. The school is multicultural, with 20 nationalities represented. The building of a community was enhanced by the formation of the Bavaro Rotary Club which holds fund-raising activities to support schools and other community needs.

Protecting the natural environment while developing tourism is critical to the financial and social success of tourism development. The Punta Cana Resort and Club and the PUNTACANA Foundation, support the Punta Cana Nature Reserve, the Center for Sustainability, an organization for the protection of the coastal areas and sustainable agriculture. The Punta Cana Nature Reserve, which has 1500 acres preserved for recreation, scientific investigation and conservation of species, receives over 1500 visitors annually. The Center for Sustainability has programmes with ten universities who send 150–200 students annually to research and learn about sustainable tourism. Resort personnel were also responsible for organizing the Partnership for Ecologically Sustainable Coastal

Areas (PESCA) which, with the University of Miami, conducts research to identify and inventory flora and fauna, resort beaches, mangroves and corals, monitor water quality and implement a marine management programme. The resort supports sustainable agriculture by assisting entrepreneurs to grow organic vegetables, build a fruit tree garden and a beekeeping operation, and manage worm composting and other composting facilities. In all, the resort has helped to develop 20 new small companies and supports 100 more. Other community support activities include providing education programmes for staff and visitors, celebrating international environmental days, supporting tree planting and beach clean-up campaigns, sponsoring bird observation outings and guided nature tours. Buildings have been made of local materials and designed to blend into the environment.

The value of this tourism destination development to the community in which it operates has been recognized by international organizations. Punta Cana Resort and Club was awarded the 2009 Conde Nast World Savers Award, and Tourism for Tomorrow's 2009 Destination Stewardship Award. This model development provides a safe and enjoyable environment for visitors, protects the environment and serves the humans who live and work within the community, while making significant profits. Oscar de la Renta sums up the success of the endeavour: 'Now that the community has been created, they find they have a sustainable business' (Gupta and Gupta, 2006, p. 7).

Future Research

As one of the most frequently researched topics in the field of tourism, studies of resident attitudes are prolific. Each new research finding adds more information on influencers of attitudes, and the complexity of the issue continues to be revealed. While the knowledge of what the impacts of tourism are and how residents react to them is significant, more questions need to be answered. Sustained research will provide a basis for creating

more effective tourism management plans. This chapter recommends resident support programmes, but there is no empirical evidence to identify which programmes work better than others. Research as to the effectiveness of programmes would assist destination managers in selecting the programme best for their community. Furthermore, research is needed to determine the economic value of resident support for tourism so that destination managers have justification for using marketing dollars to support expenditure on programmes designed to gain resident support. A comparison of economic gain indicators in destinations with varying levels of support or opposition might provide the necessary insight.

Community managers also need information regarding the costs and benefits of different types of tourism. For example, is the balance of costs and benefits more favourable in community-based tourism development as opposed to tourism created by development corporations? Which benefits are increased? Which costs are diminished? Even though there seems to be a belief that community-based tourism is better for a community than mass tourism, there are no studies that empirically evaluate the costs and benefits of each type.

Finally, there is the question of what factors determine the tipping point of community support. Studies that follow up the relationship between retail sales in tourism and community support might examine what social, economic or environmental impacts make tourism no longer acceptable to a community. Is it simply the number of tourists and the amount they spend? What are the similarities in destination communities with disgruntled or supportive residents?

Summary and Conclusions

Policy makers need to understand factors that affect resident attitudes toward tourism as well as how community residents evaluate the costs and benefits of tourism, because community support for tourism contributes to a willingness to expend public funds on marketing

and infrastructure development. Furthermore, pleasant attitudes and helpfulness toward visitors generate valuable positive word of mouth. Simple resident attitudes surveys do not tell the entire story. Tourism changes a community for better or worse, and the economic, social and environmental consequences of tourism development vary in intensity and direction from community to community and from resident to resident. Public policy and industry practices affect the intensity and direction of the impacts of tourism as do the strength of the community and the relative importance of tourism to the economy. The evaluation of benefits and costs is related to personal and community values and to the amount of direct effects that individuals encounter. Therefore, an understanding of the dynamics of residents' feelings about tourism and a toolbox of activities designed to secure the support of residents is critical to destination and industry decision makers.

References

Akis, S., Peristianis, N. and Warner, J. (1996) Residents' attitudes to tourism development: the case of Cyprus. *Tourism Management* 17, 481–494.

Allen, L.R., Long, P.T., Perdue, R.R. and Kieselbach, S. (1988) The impact of tourism development on residents' perceptions of community life. *Journal of Travel Research* 27(1), 16–21.

Allen, L.R., Persia, M.A. and Hafer, H.R. (1990) Rural attitudes towards recreation and tourism. Paper presented at: *The Outdoor Recreation Trends Symposium III*, Indianapolis, Indiana.

Allen, L.R., Hafer, H.R., Long, P.T. and Perdue, R.R. (1993) Rural residents' attitudes toward recreation and tourism development. *Journal of Travel Research* 31(4), 27–33.

Andereck, K. and Jurowski, C. (2006) Tourism and Quality of life. In: Jennings, G. and Nickerson, N. (eds) *Quality Tourism Experiences*. Elsevier Butterworth-Heineman, Burlington, Massachusetts, pp. 36–154.

Ap, J. (1992) Understanding host residents' perceptions of the impacts of tourism through social exchange theory. PhD thesis, Texas A&M University, College Station, Texas. Record available in *Dissertation Abstracts International*.

Archer, B. (1973) *The Impact of Domestic Tourism*. Bangor Occasional Papers in Economics No 2, University of Wales Press, Cardiff, UK.

Belisle, F.J. and Hoy, D.R. (1980) The perceived impact of tourism by residents: a case study in Santa Marta, Colombia. *Annals of Tourism Research* 7, 83–101.

Besculides, A., Lee, M.E. and McCormick, P.J. (2002) Residents' perceptions of the cultural benefits of tourism. *Annals of Tourism Research* 29, 303–319.

Botkin, M., McGowan, M.L. and DiGrino, B.N. (1991) Sustainable development in rural communities. In: *22nd Annual Proceedings*, *Travel and Tourism Research Association* (TTRA), Salt Lake City, Utah, pp. 409–415.

Britton, S. (1989) Tourism, dependency and development: a mode of analysis. In: Singh, T.V., Theuns, H.L. and Go, F.M. (eds) *Towards Appropriate Tourism: The Case of Developing Countries*. Peter Lang Publishing, Frankfurt am Main, Germany.

Brownrigg, M. and Greig, M.S. (1994) *Economic Impact of Tourism in Skye*. Special Report No. 13, December 1994, Highlands and Islands Development Board, Inverness, UK.

Brougham, J.E. and Butler, R.W. (1981) A segmentation analysis of resident attitudes to the social impact of tourism. *Annals of Tourism Research* 8, 569–590.

Brunt, P. and Courtney, P. (1999) Host perceptions of sociocultural impacts. *Annals of Tourism Research* 26, 493–515.

Butler, R.W. (1980) The concept of a tourist area cycle of evolution: implications for management of resources. *Canadian Geographer* 24, 5–12.

Crandall, L. (1987) The social impact of tourism on developing regions and its measurement. In: Ritchie, J.R.B. and Goeldner, C.R. (eds) *Travel, Tourism and Hospitality Research: A Handbook for Managers and Researchers*. John Wiley, New York, pp. 373–382.

Crotts, J.C. and Holland, S.M. (1993) Objective indicators of the impact of rural tourism development in the state of Florida. *Journal of Sustainable Tourism* 1, 112–119.

Cutter, S.L. (1985) *Rating Places: A Geographer's View on Quality of Life*. Resource Publications in Geography, Association of American Geographers, Washington, DC.

Davis, D., Allen, J. and Cosenza, R.M. (1988) Segmenting local residents by their attitudes, interests, and opinions toward tourism. *Journal of Travel Research* 27(2), 2–8.

Deccio, C. and Baloglu, S. (2002) Nonhost community resident reactions to the 2002 Winter Olympics: the spillover impacts. *Journal of Travel Research* 41, 46–56.

Dyer, P., Gursoy, D., Sharma, B. and Carter, J. (2007) Structural modeling of resident perceptions of tourism and associated development on the Sunshine Coast, Australia. *Tourism Management* 28, 409–422.

Fritz, R.G. (1982) Tourism, vacation home development and residential tax burden: a case study of the local finances of 240 Vermont towns. *American Journal of Economics and Sociology* 41, 375–385.

Gee, C.Y., Mackens, J.C. and Choy, D.J. (1989) *The Travel Industry.* Van Nostrand Reinhold, New York.

Gupta, K. and Gupta, U. (2006) *A Natural Way of Business: Grupo Punta Cana, an Unusual Partnership in Sustainable Tourism.* Gondolier (Bayeaux Arts), Calgary, Alberta.

Gursoy, D. and Kendall, K.W. (2006) Hosting mega events: modeling locals' support. *Annals of Tourism Research,* 33, 603–623.

Gursoy, D., Chen, J. and Yoon, Y. (2000) Using structural equation modeling to assess the effects of tourism impact factors and local residents support for tourism development. *31st Annual Travel and Tourism Research Association Conference Proceedings*, 11–14 June 2000*,* San Fernando Valley, California, pp. 243–250.

Gursoy, D., Jurowski, C. and Uysal, M. (2002) Resident attitudes: a structural modeling approach. *Annals of Tourism Research* 29, 79–105.

Haralambopoulos, N. and Pizam, A. (1996) Perceived impacts of tourism: the case of Samos. *Annals of Tourism Research* 23, 503–526.

Homans, G.C. (1961) *Social Behavior in Elementary Forms.* Harcourt Brace Jovanovich, New York.

Jurowski, C. (1994) The interplay of elements affecting host community resident attitudes toward tourism: A path analytic approach. PhD thesis, Virginia Polytechnic Institute and State University, Blacksburg, Virginia.

Jurowski, C. and Gursoy, D. (2004) Distance effects on resident attitudes. *Annals of Tourism Research* 31, 296–312.

Jurowski, C., Uysal, M. and Williams, D.R. (1997) A theoretical analysis of host community resident reactions to tourism. *Journal of Travel Research* 34(2), 3–11.

Jurowski, C., Daniels, M.J. and Pennington-Gray, L. (2006) The distribution of tourism benefits. In: Jennings, G. and Nickerson. N. (eds) *Quality Tourism Experiences.* Elsevier Butterworth-Heinemann, Oxford, UK, pp. 192–205.

Keogh, B. (1990) Resident recreationists' perceptions and attitudes with respect to tourism development. *Journal of Applied Recreation Research* 15(2), 71–83.

Lankford, S.V. (1994) Attitudes and perceptions toward tourism and rural regional development. *Journal of Travel Research* 24(3), 35–44.

Lankford, S.V. (1996) Crime and tourism: a study of perceptions in the Pacific Northwest. In: Pizam, A. and Mansfeld, Y. (eds) *Tourism, Crime and International Security Issues.* Wiley, Chichester, UK, pp. 51–58.

Lankford, S.V. and Howard, D.R. (1994) Developing a tourism impact attitude scale. *Annals of Tourism Research* 21, 121–139.

Lankford, S.V., Williams, A.L. and Knowles-Lankford, J. (1997) Perceptions of outdoor recreation opportunities and support for tourism development. *Journal of Travel Research* 35(3), 65–69.

Lee, C.K. and Back, K.J. (2003) Pre-and post-casino impact of residents' perception. *Annals of Tourism Research* 30, 868–885.

Lindberg, K. and Johnson, R.L. (1997) Modeling resident attitudes toward tourism. *Annals of Tourism Research* 24, 402–424.

Liu, J.C. and Var, T. (1986) Resident attitudes towards tourism impacts in Hawaii. *Annals of Tourism Research* 13, 193–214.

Liu, J.C., Sheldon, P.J. and Var, T. (1987) Resident perception of the environmental impacts of tourism. *Annals of Tourism Research* 14, 17–37.

Madrigal, R. (1993) A tale of tourism in two cities. *Annals of Tourism Research* 20, 336–353.

Mansfeld, Y. (1992) Group-differentiated perceptions of social impacts related to tourism development. *Professional Geographer* 44, 377–392.

Martin, B. and Uysal, M. (1990) An examination of the relationship between carrying capacity and the tourism lifecycle: management and policy implications. *Journal of Environmental Management* 31, 327–332.

McCool, S.F. and Martin, S.R. (1994) Community attachment and attitudes toward tourism development. *Journal of Travel Research* 32(3), 29–34.

McGehee, N.G. and Andereck, K.L. (2004) Factors predicting rural residents' support of tourism. *Journal of Travel Research* 43, 131–140.

McNicoll, I.H. (1976) *The Shetland Economy – An Empirical Study in Regional Input–Output Analysis*. Research Monograph No. 2, Fraser of Allander Institute, University of Strathclyde, Glasgow, UK.

Milman, A. and Pizam, A. (1988) Social impact of tourism on Central Florida. *Annals of Tourism Research* 15, 91–204.

Murphy, P.E. (1985) *Tourism: A Community Approach.* Methuen, New York.

Oviedo-Garcia, M.A., Castellano-Verdugo, M. and Martín-Ruiz, D. (2008) Gaining residents' support for tourism and planning. *International Journal of Tourism Research* 10(2), 95–109.

Pearce, D. (1989) *Tourist Development*. John Wiley, New York.

Peppelenbosch, P. and Templeman, G. (1989) The pros and cons of international tourism to the third world. In: Singh, T.V., Theuns, H.L. and Go, F.M. (eds) *Towards Appropriate Tourism: The Case of Developing Countries*. Peter Lang Publishers, Frankfurt am Main, pp. 26–38.

Perdue, R.R., Long, T.L. and Allen, L. (1990) Resident support for tourism development. *Annals of Tourism Research* 17, 586–599.

Perdue, R.R., Long, P.T. and Gustke, L.D. (1991) The effects of tourism development on objective indicators of local quality of life. In: *22nd Annual Proceedings*, *Travel and Tourism Research Association* (TTRA), Salt Lake City, Utah, pp. 191–201.

Pizam, A. (1978) Tourism's impacts: the social costs to the destination community as perceived by its residents. *Journal of Travel Research* 16(4), 8–12.

Prentice, R. (1993) Community-driven tourism planning and residents' preferences. *Tourism Management* 14, 218–227.

Ritchie, J.R.B. (1988) Consensus policy formulation in tourism: measuring resident views via survey research. *Tourism Management* 9, 199–216.

Rosenow, J.E. and Pulsipher, G.L. (1979) *Tourism: The Good, the Bad and the Ugly.* Century Three Press, Lincoln, Nebraska.

Sheldon, P.J. and Var, T. (1984) Resident attitudes to tourism in North Wales. *Tourism Management* 5, 40–47.

Skidmore, W. (1975) *Theoretical Thinking in Sociology.* Cambridge University Press, Cambridge, UK/ New York.

Sirakaya, E., Teye, V. and Sönmez, S. (2002) Understanding residents' support for tourism development in the central region of Ghana. *Journal of Travel Research* 41, 57–67.

Smaoui, A. (1979) Tourism and employment in Tunisia. In: Kadt, E.J. de (ed.) *Tourism Passport to Development? Perspectives on the Social and Cultural Effects of Tourism in Developing Countries*. Oxford University Press, Oxford, UK/New York, pp. 101–110.

Smith, V.L. (1977) *Hosts and Guests: The Anthropology of Tourism*. University of Pennsylvania Press, Philadelphia, Pennsylvania.

Thomason, P., Crompton, J.L. and Kamp, B.D. (1979) A study of the attitudes of impacted groups within a host community toward prolonged stay tourist visitors. *Journal of Travel Research* 17(3), 2–6.

Turner, J.H. (1986) *The Structure of Sociological Theory.* Dorsey Press, Chicago, Illinois.

Tyrrell, T. and Spaulding, I.A. (1984) A survey of attitudes toward tourism growth in Rhode Island. *Hospitality Education and Research Journal* 8(2), 22–23.

Um, S. and Crompton, J.L. (1987) Measuring resident's attachment levels in a host community. *Journal of Travel Research* 26(1), 27–29.

Vargas-Sánchez, A., Plaza-Mejía, M. de los Á. and Porras-Bueno, N. (2009) Understanding residents' attitudes toward the development of industrial tourism in a former mining community. *Journal of Travel Research* 47, 373–387.

Yoon, Y., Chen, J.S. and Gursoy, D. (1999) An investigation of the relationship between tourism impacts and host communities' characteristics. *Anatolia* 10(1), 29–44.

Young, G. (1973) *Tourism (Blessing or Blight?).* Penguin Books, Harmondsworth, UK.

Williams, J. and Lawson, R. (2001) Community issues and resident opinions of tourism. *Annals of Tourism Research* 28, 269–290.

18 The Importance of Safety and Security for Tourism Destinations

Galia Fuchs and Abraham Pizam

―――――――――――――

Introduction

Although tourism experiences are primarily about the pursuit of pleasure for the tourist, there are considerable elements of risk associated with both travel and tourism. International tourists might be faced with many dangers ranging from wars, terrorist attacks and crime, to natural disasters, epidemics, transport accidents, food poisoning and even wild animals (Durrheim and Leggat, 1999; Pizam, 1999; Peattie *et al*., 2005; Pizam and Mansfeld, 2006; Tarlow, 2006; Wilks, 2006; Larsen *et al*., 2007; Howard, 2009; Bentley *et al*., 2010). These kinds of episodes are not confined to any particular geographical regions, as crises respect no political or cultural boundaries (Santana, 2004). According to Dwyer *et al*. (2009), factors such as international terrorism, security, infectious diseases and tourism safety consciousness are likely to continue over the next 15 years and, as global trends, would play an important part as drivers of tourism change. Because the perception of safety and security is a major determinant in travellers' decisions to visit a place, as well as in the scope of travellers' activities at the destination, all of the above-mentioned dangers lead to a significant decline in tourist demand (Pizam *et al*., 1997; Sönmez and Graefe, 1998a,b; Pizam, 1999; Mawby, 2000; George, 2003; Lepp and Gibson, 2003; Pizam

and Mansfeld, 2006; Araña and León, 2008; Rittichainuwat, 2008; Rittichainuwat and Chakraborty, 2009).

As the tourism industry is particularly susceptible to safety and security incidents, putting the sector under almost constant threats of a crisis, it is crucial to understand, anticipate and prepare to deal with these threats, which are precipitated by either humans or nature. This chapter deals with the concepts of safety and security and their influences on the tourism industry. At the beginning, we will discuss the notion of these two concepts, their importance for tourism destinations and the role of their frequency and severity. Next, we will describe the motives of the perpetrators of security incidents, the targets and the location of the security incidents. After that, we will discuss the various impacts of security and safety incidents. This is followed by a description of media coverage and the image perception management during security and safety incidents. The final section will deal with prevention and mitigation of security and safety incidents, and with recovery strategies.

In the tourism literature, most of the time, incidents of safety and security are referred to without any real differentiation, but these incidents differ in their essence. Security incidents can be defined as incidents where tourists suffer harm as a result of the

deliberate actions of others, such as wars, terrorist attacks, civil and/or political unrest, and crime (Peattie *et al.*, 2005; Pizam and Mansfeld, 2006), while safety incidents can be conceptualized as incidents where tourists are injured accidentally and without malice aforethought. Such safety incidents can be caused by problems in infrastructure and in the environment at the destination, by breakdowns resulting from natural disasters, and by tourists' behaviour and activities. Occurrences might be, for example, floods, fires, infectious diseases, food poisoning, traffic accidents, accidents related to activities such as skiing, accidental slips, falls, cuts and burns, and damage to property (Okumus, 2005; Peattie *et al.*, 2005).

The importance of safety and security for tourism destinations is very high. According to the findings of Dwyer *et al.* (2009), safety and security are among the fundamental requirements for the success of tourism development at the destination level. These findings are congruent with the accumulated tourism literature. For example, Pizam *et al.* (1997, p. 23) claimed that 'Most tourists select their destinations not only on the basis of price and destination image, but, most importantly, on personal safety and security'. The importance of safety and security was also stressed by Peattie *et al.* (2005, p. 399): 'Tourism experiences can be unsatisfying for many reasons, but when a tourist comes to some form of physical harm, it can pose problems for those promoting tourism to a particular area, as well as for the luckless tourist'. Araña and León (2008) also emphasized tourists' sensitiveness to the influence of political violence and terrorist attacks, and their appreciation of tranquillity and peace for the enjoyment of the activities and pleasures offered by the destinations. Dwyer *et al.* (2009) concluded that tourists' perception of safety and security at the destination will continue to constitute an important competitive advantage in the coming decades.

Thus, destination policy, planning and development must strive for a safe and secure experience for tourists. Some safety and security incidents are possible to deal with and can be mitigated, for example, by solving problems with infrastructures, and by giving tourists the appropriate warnings, or by reducing the level of crime with the assistance of special police units and by using security devices such as electronic locks and monitored video cameras. Other safety and security incidents, like natural disasters or exposure to terror attacks are more challenging and can hardly be dealt with directly. The next section will provide more details on safety and security incidents and will sharpen the differences between them; in this section, we will also provide an insight into the role of the frequency and the severity in safety and security incidences.

Safety and Security Incidents

Safety incidents

As mentioned earlier, safety incidents can be conceptualized as incidents where tourists are injured accidentally and without malice aforethought. Safety incidents can be captured into two groups according to the ability to prevent them – natural disasters that cannot be prevented, and other incidents that can be avoided or mitigated. These incidents can be clustered into three groups, namely: (i) destination management-related incidents; (ii) nature-related incidents; and (iii) tourist-related incidents (Peattie *et al.*, 2005; Uriely and Belhassen, 2006; Rittichainuwat, 2008; Howard, 2009; Bentley *et al.*, 2010; Tsa and Chen, 2010).

Natural disaster incidents

These incidents may include a range of natural disasters, such as earthquakes, floods, hurricanes and volcanic eruptions, which cannot be avoided. However, early planning, such as construction aimed to reduce the resulting injuries and the damage, can diminish their severity. Interestingly, natural disasters often function as major tourist attractions in the aftermath.

Destination management-related incidents

These incidents may range from episodes such as problems with infrastructure (e.g. poor sanitation), safety standards in tourism

establishments (e.g. fire, construction errors) and car accidents, to health concerns (e.g. legionnaires' disease). For example, tourism destinations in some developing countries have suffered from a reputation of having unsafe sanitation conditions that lead to occurrences of waterborne diseases such as diarrhoea, which is popularly referred to as 'Montezuma's Revenge' in Mexico and 'Delhi Belly' in India. Fires that occur at tourist establishments can also have a significant negative impact on tourist visitation to the affected properties, as well as to other similar establishments. Famous and well-publicized fires such as the 1980 MGM Grand fire in Las Vegas that killed 87 people, the 1997 Pataya Royal Resort Hotel fire in Thailand that killed 88 and the 2004 República Cromagnon nightclub fire in Buenos Aires that killed 194 and injured 714, drew the attention of the international tourism community to the lack of proper fire safety standards in many tourism properties worldwide. Last, but not least, poor maintenance of equipment in tourism enterprises can cause some serious health problems, such as legionnaires' disease, which acquired its name in July 1976 when an outbreak of pneumonia occurred among people attending a convention of the American Legion in Philadelphia, Pennsylvania.

Nature-related incidents

In general, tourists are sensitive to climate, and climate change and any detrimental change in weather conditions will affect the relative attractiveness of a destination. Therefore, incidents that are caused by the natural conditions at the destination – such as changeable weather, hazardous terrain underfoot, wilderness conditions and exposure to water or drowning threats, can have a significant impact on tourist destinations. The effects of severe weather conditions such as hurricanes, tornadoes, floods, extreme temperatures, etc. on tourist visitation have been well documented and prove that they can have a devastating impact on well-being at the local destinations. The same can be said for earthquakes, mudslides and other forms of hazard.

Tourist-related incidents

Tourists may endanger their own safety by practising dangerous sports and leisure activities such as skydiving, skiing or climbing, which might expose them to accidents. The tourists themselves might increase the probability of occurrence of these accidents by misunderstanding and/or not following instructions, horseplaying, poor physical skills and abilities, inadequate fitness and health, and limited familiarity with the task or the environment. Sometimes, as part of their vacations, tourists engage in activities they are not used to, which might increase their vulnerability. This might be an activity undertaken 'because one is on a holiday', like binge drinking, consuming recreational drugs, dangerous driving, unprotected sex, excessive exposure to the sun and other types of risky behaviour.

Security incidents

In general, security incidents can be defined as incidents where tourists suffer harm as a result of the deliberate actions of others (Pizam *et al.*, 1997; Pizam, 1999; Peattie *et al.*, 2005; Pizam and Mansfeld, 2006; Araña and León, 2008). According to Pizam and Mansfeld (2006) the four generators of security incidents that tourists might suffer from are: crimes, terrorism, wars, and civil/political unrest.

Crimes

There is a wide range of incidents, such as robbery, assault, rape, kidnapping and murder, which are considered as crimes and different people react differently to those incidents. Naturally, the tourists' choice of where and how they will travel and stay will affect the probability of their exposure to crimes (Boakye, 2010). Although crime incidents might occur among the tourists themselves, between tourists and locals, or vice versa, it has been found that tourists are more likely to suffer from crimes than local residents (Chesney-Lind and Lind, 1986; Barker *et al.*, 2002; Pizam and Mansfeld, 2006; Boakye, 2010).

Terrorism

Tourism destinations and tourists have always been 'soft targets' for terrorist activities (Richter and Waugh, 1986; Ryan, 1993; Sönmez *et al*., 1999; Pizam and Mansfeld, 2006; Paraskevas and Arendell, 2007; Araña and León, 2008). Owing to the media's interest in covering terrorist incidents, terror attacks have become the most frequently used tool for expressing political and geographical conflicts. By attacking tourist destinations and tourists indiscriminately, the terrorists attract attention to their causes in a most effective manner (Sönmez *et al*., 1999). As mentioned above, tourism is gravely affected by terrorism. Yet, besides terrorism that targets tourism destinations and tourists specifically and directly, the tourism industry and tourists themselves may be indirectly victimized when terrorism is aimed at civil or economic targets that are related to tourism (Pizam and Mansfeld, 2006).

Wars

By now we have sufficient documented evidence that wars negatively impact tourism demand for the countries involved in particular and for global tourism in general, for a long period of time (Pizam and Mansfeld, 2006). Wars such as the Yom Kippur war between Israel and Egypt, the Yugoslav war between Serbia and Croatia, the war between the Greek and Turkish sides in Cyprus and the Tamil war in Sri Lanka have all had a destructive impact on tourism demand to these countries, and have even caused a temporary cessation in all tourist activities.

Civil and/or political unrest

Civil and/or political unrest at tourist destinations can cause tourists to make cancellations that severely affect or even paralyse the local tourism industry (Pizam and Mansfeld, 2006). Civil and political unrest in countries such as South Africa before 1994, in Thailand in 2010, in Northern Ireland as a result of long-term IRA activities, in Spain as a result of the activities of the ETA separatist group in 1995, in Mexico as a result of the Zapatista

rebellion in Chiapas in 1994, in Egypt in 1997 and 2004, and in many other similar destinations, have shown that these occurrences can have long-term and sometimes even devastating effects on tourism destinations. Although security incidents attract more attention than safety incidents, it is worth noting that health-related safety incidents among tourists are more prevalent and affect more people than security incidents (Peattie *et al*., 2005).

Frequency and severity of safety and security incidents

The effects of security and safety incidents depend on the frequency and severity of those incidents. Severe and frequent incidents that get high media coverage will influence tourists' decisions regarding the affected destinations as far as booking and cancellations are concerned; effects on tourists' decision making will be lengthier and more widespread and the international visitor demand will be lower in these cases (Pizam, 1999; Pizam and Mansfeld, 2006). Yet, according to the findings of Pizam and Fleischer (2002), the tourism industry will recover in a period of 6 to 12 months when terrorist events are not repeated.

As to the impact on tourism demand of the frequency and severity of terror events, it was found that although both are negatively correlated with tourism demand (Pizam, 1999; Krakover, 2005) the frequency of terror acts caused a longer decline in demand than the severity of those acts (Pizam and Fleischer, 2002), especially in international tourism compared with domestic tourism (Pizam and Fleischer, 2002; Yechiam *et al*., 2005). As to the factor of time, the conclusion is that over a longer period of time an incident's psychological effect on tourists tends to decrease (Yechiam *et al*., 2005). Variation in the level of severity of security incidents has different lasting impacts over time. Severe security incidents, such as mass destruction of life and property due to war or terrorism, will have much more severe negative impact on tourism demand and arrivals than acts that cause

some loss of life (murder), or bodily harm (rape), or loss of property (Pizam, 1999; Pizam and Mansfeld, 2006).

In order to create effective contingency and mitigation plans for affected destinations, it is essential to understand the motives behind the security incidents. An in-depth study of these motives could provide valuable information on potential targets and on the location of these incidents. The next section deals with these issues.

Motives and Targets of Perpetrators and the Location of Security Incidents

Motives of the perpetrators of security incidents

The most frequent motives for security incidents that have been identified in the literature are: political, religious, social and economic motives, hostility to tourists, publicity and the destruction of an area's economy (Pizam and Mansfeld, 2006). Security incidents affect tourists' arrivals at a destination according to the type of motive that leads to the incident. In general, it has been noted that political and religious motives affect tourism demand in the most severe manner, followed by economic and social motives; personal motives had the lowest effect (Pizam, 1999).

Violent acts occur at tourist destinations for a multitude of motives, the most prominent of which are religious, political or economic injustice. But, regardless of the motive, the terrorists feel that through carrying out violent acts that cause great damage to life and property, they achieve their goal of getting the maximum exposure to their cause. However, in the process of achieving their goals, the terrorists manage to damage the tourism industry and at times impair the destination's economy and/or its political establishment (Pizam, 1999).

As mentioned before, security incidents include a variety of criminal acts. These acts are committed for different motives, such as non-violent acts that are committed for economic motives (robberies), acts committed for social motives (Robin Hood style) and crimes motivated by personal reasons (revenge and jealousy). These types of incidents will occur at higher frequency in tourist destinations because of the abundance of opportunities and the higher probability of success (the presence of gullible tourists). At times, non-violent incidents might deteriorate in their course and turn into violent and serious acts, such as murder (Pizam, 1999; Pizam and Mansfeld, 2006).

Targets of security incidents

Security incidents at tourism destination can victimize the tourists, anywhere at any time: on their way to and from the destination, during their stay and throughout their vacation activities. Besides tourists, local residents, including famous or known personalities, can also become victims of the violent acts (Pizam, 1999; Pizam and Mansfeld, 2006), although in security-affected destinations, tourists are more likely to be the targets than local residents for a variety of reasons, ranging from tourists' behaviour and appearance, to the fact that causing bodily harm to tourists creates instantaneous mass publicity (Chesney-Lind and Lind, 1986; Barker et al., 2002; Pizam and Mansfeld, 2006; Boakye, 2010).

From the literature emerge two broad factors that cause tourists to be more prone to the security incidents of crime – their appearance and their behaviour. Concerning tourists' appearance, tourists have been known to possess a range of characteristics which make them vulnerable to crimes (Chesney-Lind and Lind, 1986; Pizam and Mansfield, 2006). For instance, the mere appearance of non-locals makes them potential targets for attacks, and this is especially true when the victims are perceived as being wealthy (Cohen, 1987; Harper, 2006; Boakye, 2010). In relation to tourists' behaviour, their behavioural patterns make them vulnerable to crime. According to Cohen (1987), tourists may be victimized because they are ignorant of the customs and laws of the host country and are socially isolated. Pizam and Mansfeld

(2006) propose that certain tourist behaviour patterns make them easy prey for criminal victimization. Such actions include letting down their guard and entering into unsafe areas to which locals will never dare go. As noted by Pizam *et al*. (1997), in security-affected destinations, tourists are much more vulnerable to property crimes than residents. This is mainly as a result of their tendency to carry more money and valuables than local residents. Harper (2006) further proposes that the search of victims for a more 'authentic' (sometimes illicit) experience takes them to places considered dangerous even by local residents, and makes them particularly susceptible to victimization. In some cases, the tourist who searches for involvement with the local population is stricken by violent acts conducted by his 'local acquaintance' who carefully cultivates a friendship with the tourist over a period before striking (Harper, 2006; Holcomb and Pizam, 2006). Their suitability for becoming crime targets depends on the different travel arrangements made by tourists. Tourists who self-arrange their travels are more flexible and, therefore, might venture into places that even locals would hesitate to visit (Boakye, 2010).

Evidently, tourists are also likely to be easy targets for terror attacks. According to Pizam and Mansfeld (2006), attacks against tourist destinations are particularly desirable to terrorists owing to a number of facts. On one hand, tourist destinations are easy targets and have the potential of a large number of fatalities which will lead to immediate mass publicity. On the other hand, a strike against a tourist destination can achieve two goals – catastrophic damage to the economy of the region or the state, and an assault against a specific nation or country because many tourist destinations are symbols of a national and cultural identity.

One of the easiest and most exceptional opportunities for the terrorists is targeting tourists at their hotels, especially those that cater for international guests or are owned by foreigners: an 'easiest' opportunity as it is not in the economic interest of the hotel owners to alienate guests by over guarding the hotel, and an 'exceptional' opportunity as it justifies the terrorists' actions because the victims are 'foreign devils' and not locals, and the attack will get extensive and immediate global media coverage (Pizam, 1999).

Location of the security incidents

In order to handle successfully security-related tourism crises it is important to understand the geographical dimension of the security incidents. When incidents of the kind occur in a certain local community there is a spillover effect, which means that the decline in tourist visitation spreads quickly to other regions within and outside the country affected. This happens because of lack of geographical knowledge, either on the part of tourists or resulting from biased media coverage that does not supply exact information on the affected area (Pizam and Mansfeld, 2006).

As mentioned before, in some cases, hotels have been the main target for the terror attacks. According to Pizam (1999) one of the basic conditions for terrorists to target hotels is that these hotels must be located in a region that has numerous sympathizers who can provide logistical, moral and financial support to the terrorists. In most cases, terrorist attacks will not occur at locally owned economy hotels that cater to domestic tourists. Terrorists prefer to target those hotels that are: (i) associated with well-known international brands; (ii) owned by an avowed internal enemy; and (iii) are frequented by international tourists and especially by tourists from countries that the terrorists have a major conflict with.

As previously noted, another major security issue that affects tourism demand to a destination is crimes. Geographical areas that are plagued by high rates of crimes in general and are also visited by large numbers of tourists tend to have more occurrences of chronic crime and security problems with regard to tourists. Tourist locations are prone to criminal activities owing to the tourists' permanent, natural, hedonistic activities and orientation. Areas with little police presence, low amounts of pedestrian traffic and poor physical characteristics of the tourist surroundings – such as dimly lit parking lots or

motels with external corridors – may facilitate the occurrences criminal activities (Pizam and Mansfeld, 2006).

Impacts of Security and Safety Incidents

Tourism is an industry where both demand and supply can be sensitive to security and safety incidents (Richter and Waugh, 1986; Ryan, 1993; Pizam and Mansfeld, 2006). The occurrence of these incidents strikes and impacts all the participants in the delivery of the tourism 'product' namely the tourists, the destination, the tourism industry, destination governments and generating markets and their governments.

Impact of safety and security incidents on tourist behaviour

In most cases, security and safety incidents cause changes in tourists' perception of risk. The concept of tourists' risk perception has gained a lot of attention in recent years (Roehl and Fesenmair, 1992; Mitchell and Vassos, 1997; Tsaur et al., 1997; Sönmez, 1998; Fuchs and Reichel, 2006; Jonas et al., 2011). Although the concept was found to be multidimensional, it was evident that the fear of safety and security incidents plays a significant role in shaping the overall risk perception of a destination, and in the decision making of the tourists and shaping their behaviour (Tsaur et al., 1997; Sönmez and Graefe, 1998a,b; Dolnicar, 2005; Kozak et al., 2007; Jonas et al., 2011). As soon as tourists experience a certain level of risk, their behaviour changes. The tourists that are already in the affected destination either move to a safer place or evacuate the destination and return home. Tourists that are in the process of planning their trips will either change the destination of their booking or cancel their booking altogether. They might also try to reduce the level of risk to 'tolerable' by using strategies such as consulting with previous visitors to the destination, gathering information from friends and relatives, travel agents and the Internet

(Sönmez, 1998; Sönmez and Graefe, 1998a; Pizam and Fleischer, 2002; Floyd et al., 2004; Pizam and Mansfeld, 2006; Araña and León, 2008; Rittichainuwat and Chakraborty, 2009; Fuchs and Reichel, 2010).

Among the various types of security incidents, terrorist attacks against tourists and tourism infrastructures have long been acknowledged as the most destructive type of short-term incidents that have an impact on tourists' behaviour (Pizam and Mansfeld, 2006). According to Viscusi and Zeckhauser (2003), tourists do not deal with the probabilities of terrorism occurrences. However, they do ponder the worst-case scenarios of terrorism attacks while planning their holidays. Yet, negative impacts of terrorists attacks left on people's minds weaken with time and, therefore, the affected tourist destination may rebound from the 'terrorist shock' that it has had (Narayan, 2005).

Yechiam et al. (2005) assert that the main differences (heterogeneity) in the impact of terror events on tourist behaviour depend on three dimensions: cultural aspects, personal experience and the cost of avoiding the risk. Indeed, in other studies, culture and nationality have been found to be associated with perception of destination risk (Fuchs and Reichel, 2004; Dolnicar, 2005; Reisinger and Mavondo, 2005, 2006). Regarding personal experience, previous research suggests that first-time and repeat travellers show differences in terms of their perceptions of risk (Rittichainuwat and Chakraborty, 2009; Fuchs and Reichel, 2010). As tourists' experience with a destination increases, their risk perception level decreases and their attitudes towards international tourism improve (Sönmez and Graefe, 1998b). Similarly, previous travel experience with a particular destination also enhances feelings of safety (Pinhey and Inverson, 1994).

Impact of safety and security incidents on the destination

Pizam (1999) found that the spectrum of effects on tourism demand resulting from violent acts occurring at destinations ranges from no effect (when the crimes are petty and

infrequent) to a slight decrease in demand, to a significant decrease, to a drastic decrease and even to the cessation of all tourist visitation (when there is constant terrorism and war). Generally, with the exception of very drastic and serious security incidents such as mass terrorism and war involving local residents, the acts committed against tourists at a tourist destination affect tourism demand much more than the acts committed against locals (Pizam and Mansfeld, 2006).

When a crisis occurs at a certain destination, it might affect proximate regions. Different findings emerge from the literature on the subject. One of the findings states that neighbouring countries are negatively affected as regards tourist demand and also experience a strong negative impact on their image and attractiveness (Enders *et al.*, 1992; Drakos and Kutan, 2003), while another finding demonstrates that there is a pattern of inverse impact of terror event that leads neighbouring countries to a benefit when they are chosen by visitors as a replacement destination because they are perceived as safer (Mansfeld, 1996; Araña and León, 2008).

Impact of safety and security incidents on the tourism industry

According to Pizam and Mansfeld (2006), security and safety incidents affect two stakeholders in the tourism system: tour operators in the generating markets, and tour operators in the receiving destinations. Both will be highly interested in reducing the damage deriving from the change in the security climate of a given situation. Numerous sectors and people are financially affected as a result of security and safety incidents, which may end, occasionally, in total business failure.

Tour operators are severely affected financially, either because they have to find alternative solutions for tourists who have already booked their trips, or because they have large investments connected with their operations that might perish following the security incidents. Security incidents result in diminishing tourist arrivals which, in turn, lead to the need to restructure human resources. Professional employees and entrepreneurs become redundant, leading to a lower quality of service and lower maintenance in general; these then affect the level of satisfaction of tourists who have taken the risk to visit the destination. In the long term, there will also be a need for large sums of money to rehabilitate any damaged structures once the security situation is over.

International hotels and restaurant chains tend to remove their global networks in affected areas and thus cause major damage to all the people and infrastructures concerned. Similarly, airlines and cruise lines might either cut short or discontinue their services to affected destinations owing to reduction in demand and an increase in insurance premiums, both of which affect their level of profitability.

Impact of safety and security incidents on the destination governments

Pizam and Mansfeld (2006) concluded that tourism is a major sector in the economy of every country; therefore, security incidents that directly and severely affect tourism are a major concern locally, regionally and nationally for the countries affected. Governments monitor and assess the impact of security incidents on a dynamic basis in order to draw effective conclusions. They might consider the future of this sector due to its fragility and instability, and might initiate new and/or improved security measures aimed at preventing or diminishing the occurrence of future security incidents. Governments might assist in the process of damage control, and decide to offer financial assistance in order to cope with the tourism crises; they might even get involved in the marketing of tourism.

Impact of safety and security incidents on the generating markets and their governments

Governments in tourism-generating countries monitor international security risks and issue frequent advisory bulletins that assess the risk involved in traveling to affected

destinations (Pizam and Mansfeld, 2006). They do this for different reasons, one of them being to reduce the necessity of evacuating their citizens from affected destinations or assisting them in times of crises. Travellers, as well as host destinations, are affected by these bulletins. Most travellers trust advisory bulletins and act accordingly, while the affected destinations struggle with the consequences of these warnings and also to mitigate them. Owing to the high visibility of these travel advisories, it can be suggested that governments in generating markets have a significant influence on the choice of destinations for their citizens. The bulletins cause a rise in insurance premiums and, ultimately, result in an overall increase in the cost of travel. Finally, if governments ban travel to certain destinations, insurance companies will not issue policies, thus making travel to those destinations an impracticality.

As mentioned earlier, the media plays a major role in shaping the image of tourism destinations in times of safety and security incidents. The next section deals with media coverage and image perception management during those incidents.

Media Coverage and Image Perception Management During Safety and Security Incidents

Safety and security incidents are a media staple as they are regarded as important news generators. Owing to its high credibility and ability to reach large audiences in a short period of time, the media is particularly influential in changing people's perceptions of a destination by providing them with the most vivid and explicit information and analyses of these incidents (Pizam and Mansfeld, 2006; Tasci and Gartner, 2007). Intensive mass media coverage of negative tourist incidents increases the feelings of fear and anxiety in potential travellers, and plays a major role in forming perceived risks about the affected destinations. As a result, decline of tourist visitation in affected destinations can easily turn an incident into a crisis for a destination (Sommez et al., 1999; Cavlek, 2002; Pizam and

Mansfeld, 2006; Bentley and Page, 2008; Rittichainuwat and Chakraborty, 2009).

Pizam and Mansfeld (2006) emphasized that the media is not always objective. It often takes upon itself the role of interpreter and not only assesses the risk involved in travelling to affected destinations in a biased manner, but even exaggerates it. The level of coverage of safety and security incidents weakens with time, although in any recurrence of incidents in which visitors are severely injured or killed, the media's continuous coverage and interpretation of the conflict deepen to fixation on a long-term negative image of such affected destinations. This pattern occurs even in the case of safety incidents where some of the accidents are caused by tourists themselves (Pizam and Mansfeld, 2006; Bentley et al., 2010). Negative images might cause potential tourists to cancel their bookings or choose to book alternative and more secure destinations because of unacceptable risk levels. Therefore, it is in the interests of the tourism industry and host governments to try to balance the negative images created by the media by conveying their own more accurate, less biased and marketing-oriented messages. They should also choose the right strategy in pursuit of better perception management, by detecting and analysing the perceived images and their interpretation by their potential markets (Pizam and Mansfeld, 2006).

Prevention, Reduction, Mitigation and Recovery from Safety and Security Incidents

In an increasingly insecure and threatened world, destinations have to anticipate and prevent major security and safety incidents and their consequences, because a peaceful and secure environment is necessary to the survival of tourist destinations.

Past experience shows that the better a destination is prepared, the more effective is its response to security crises. There are two ways to deal with security incidents: (i) before occurrence – by developing appropriate plans; and (ii) after occurrence – by

implementing those plans (Pizam and Mansfeld, 2006). For effective results, reducing tourism-related risks requires cooperation from a number of parties – the affected destinations, the generating markets, the tourist industry, public policy makers and the tourists themselves (Peattie *et al.*, 2005; Pizam and Mansfeld, 2006; Dwyer *et al.*, 2009).

As stated before, security incidents and safety incidents differ regarding who or what causes them. Security incidents can be defined as incidents where tourists suffer harm as a result of the deliberate actions of others. Those incidents can be reduced. Pizam (1999) and Pizam and Mansfeld (2006) have presented a number of strategies aimed at the prevention and reduction of acts of crimes and violence at tourist destinations. These strategies are: (i) legislative measures, such as laws that make crimes against tourists a serious offence and laws that provide funds to cover the travel expenses of victims who are required to testify against their perpetrators; (ii) the creation of special police units that are trained to protect and assist tourists and tourism businesses; (iii) improvement of private sector security measures such as training employees in security and safety measures, upgrading security devices (electronic locks, monitored video cameras); (iv) warning and educating tourists by distributing safety and security brochures or by providing guidelines, through in-house television or radio, that direct tourists to 'safe roads'; (v) increasing the awareness of local citizens by making the residents aware of the great damage caused to the community by criminal activities and violent acts, and asking for their cooperation in preventing those crimes and acts by being on the lookout and by reporting the crimes to the law enforcement authorities; and (vi) introducing social changes by narrowing social gaps by means of providing locals with jobs in the tourism industry (Pizam, 1999; Pizam and Mansfeld, 2006).

Concerning wars and terrorist attacks at tourist destinations, political settlements and international cooperation are advised, but with a clear awareness that no amount of security mindedness and advanced preparation can provide protection from the horrors of wars and terrorism (Pizam, 1999). However, Pizam (2002) suggests the tourism industry should undertake certain activities in order to minimize the occurrence of terrorist attacks that may occur at tourism destinations, and in order to recover quickly from their devastating effects. He divides his suggestions into two: those aimed at the private sector and those aimed at the public sector. In the private sector, Pizam (2002) proposes turning all tourism employees into security employees by training them in security prevention and emergency operations, advises the setting up of commissions that will certify tourism enterprises as meeting minimum security measures, and points out the necessity of preparing 'crisis plans' aimed at overcoming the negative publicity in the aftermath of incidences of terrorism. Pizam's (2002) recommendations to the public sector are to initiate and support a number of activities, such as improving the security and safety of all public modes of transportation and their terminals, educating and training citizens to be aware and vigilant concerning the potential occurrence of terrorist activities in their communities, and establishing tourist police units adjacent to large tourist destinations; he also suggests promoting and institutionalizing international cooperation in order to reduce the negative effects of terrorism against tourists.

As mentioned earlier, safety incidents, unlike security incidents, are occurrences where tourists are injured accidentally and unintentionally. Therefore, it is the stakeholders' responsibility to improve tourist safety by, for example, installing various devices intended to prevent or detect safety incidents such as fires, accidents, health hazards, etc. (Okumus, 2005). Peattie *et al.* (2005) point out that the provision of information about risk and risk-reduction strategies for tourists is important for minimizing risks. The tourist industry can play an important part in informing tourists concerning health and safety, but the industry depends on public agencies, and these agencies have little incentive to alert customers to health or other hazards present at the destination. In order for the supplied information to be effective, the multicultural tourists also need to

understand it. The subject of the unfamiliar language barrier resulting in communication difficulties is highlighted by Peattie *et al.* (2005) and Rittichainuwat and Chakraborty (2009). They emphasize the importance of multilingual information and advice in protecting tourist health and safety, and suggest, therefore, training more multilingual service workers and increasing the number of multilingual signs and multilingual hospitality/tourism websites.

Tourists might suffer safety incidents as a result of their behaviour and the activities that they choose to embark upon. In the case of adventure activities, it is the operators' responsibility to control the risks associated with latent errors through meticulous assessments, and to ensure careful and wise organization, wise operating decisions, and active management of the client experience (Page *et al.*, 2005). Risk management must be an integral part of the operation in activities with a high level of risk (e.g. bungee jumping, skydiving), but sufficient control should also be undertaken regarding relatively low hazard activities such as horse riding, wilderness hiking, etc. (Bentley *et al.*, 2010).

Bentley *et al.* (2010) suggest a number of dimensions of control for tourist safety: technological, behavioural and locational. However, they emphasize the dimension of safety culture and work organization (good communication, sensible operating decisions, a reasonable balance between safety and productivity) as having a major influence and being the most crucial in the management of tourist safety. They conclude that this dimension applies to all adventure and ecotourism activities and, in particular, to those activities where other aspects of control may be difficult to manage. They warn, though, that if all of the risks and adventures are minimized or 'taken out', the experience becomes less exciting and, therefore, less attractive.

Although some safety incidents are unavoidable, such as in the case of natural disasters, they can be handled, reduced and their consequences mitigated. For instance, in earthquake-prone areas, buildings and facilities can be strengthened and various standard operating procedures should be practised. In addition, economic losses can also be minimized by the purchasing of earthquake insurance (Tsa and Chen, 2010).

The development of risk management strategies is crucial to a reliable business management in the face of uncertainties. Dwyer *et al.* (2009) noted that the ability to deal with continuous but unpredictable change requires flexible, quick and confident decision makers. What is clear is that with no regard to the source of security and safety incidences, tourists need to be assured that concern for their safety is paramount, and that all appropriate measures are being taken in this respect. As to the recovery efforts of different tourism stakeholders, it has been shown that those that conducted well-coordinated efforts to regain tourists' trust when a security or safety crisis was over, and managed to increase tourist demand, revitalize the industry and, therefore, recover in a relatively short time (Pizam, 1999; Pizam and Mansfeld, 2006). Destinations that are able to effectively recover from the aftermath of security and safety incidents use a variety of strategies such as information dissemination, marketing schemes and financial assistance programmes.

Information dissemination consists of acknowledgement by the public authorities that problems exist and a promise to correct them as soon as possible. The authorities issue daily updates to the media, local tourism businesses and their employees, and to the tourists in the generating markets, reassuring everyone that the destination is safe or is on its way to recovery. They also establish a mechanism composed of coordinated publicity and public relations activities, aimed at creating positive public opinion among the media, local community and customers. As a result of the above, the destination gains trust, credibility and sympathy (Pizam, 1999; Pizam and Mansfeld, 2006; Rittichainuwat and Chakraborty, 2009).

Marketing schemes are used to convince the general public that things are back to normal. The range of schemes includes the initiation of reassuring campaigns, reduction of prices, sales promotion, packaging (i.e. all-inclusive vacations) and product repositioning (i.e. from heritage tourism to 'Sun Sea and Sand' tourism) (Pizam, 1999; Pizam and Mansfeld, 2006; Rittichainuwat and Chakraborty, 2009).

Notwithstanding, Rittichainuwat and Chakraborty (2009) remark that the government should insist that service providers do not trade off safety in low-cost tour packages.

An additional marketing scheme intended to help a destination recover from a decline in international tourism is the identification and development of new market segments (Pizam and Mansfeld, 2006). One such segment is domestic tourists, who can be encouraged by reducing prices, scheduling special events and appealing to their sense of patriotism (Pizam and Mansfeld, 2006; Paraskevas and Arendell, 2007). Other segments to attract after safety and security incidents are the 'repeat visitors' segment (Rittichainuwat and Chakraborty, 2009; Fuchs and Reichel, 2010) and the 'business travellers' segment (Pizam and Mansfeld, 2006).

Recovery actions are expensive and can succeed only if they are backed by sufficient financial assistance from local, state and/or national governments in the form of grants, tax holidays and/or subsidized loans (Pizam and Mansfeld, 2006). Funding provided by governments following terrorism and war is vital in the physical reconstruction of the tourism industry, in rebuilding the infrastructure and in promoting tourism in existing and new (generating) markets. Following crime waves, governments have to finance public relations campaigns in addition to designing new safety and security rules and regulations (Pizam, 1999).

In conclusion, providing a safe and secure environment is an absolute necessity for successful tourism development at the destination level. Therefore, it is important for the officials of every destination marketing organization (DMO) to fully understand the impact that such incidents might have on tourism demand to the destination and devise the appropriate strategies to prevent, minimize or ameliorate the frequency and impact of their occurrence. In those cases where such strategies will not be effective and incidents will occur, destination managers must develop recovery methods that will enable the destination to return to normal conditions in an expeditious and speedy manner.

References

Araña, J.E. and León, C.J. (2008) The impact of terrorism on tourism demand. *Annals of Tourism Research* 35, 299–315.

Barker, M., Page, S.J. and Meyer, D. (2002) Modeling tourism crime: the 2000 America's Cup. *Annals of Tourism Research* 29, 762–782.

Bentley, T.A. and Page, S.J. (2008) A decade of injury monitoring in the New Zealand adventure tourism sector: a summary risk analysis. *Tourism Management* 29, 857–869.

Bentley, T.A., Cater, C. and Page, S.J. (2010) Adventure and ecotourism safety in Queensland: operator experiences and practice. *Tourism Management* 31, 563–571.

Boakye, K.A. (2010) Studying tourists' suitability as crime targets. *Annals of Tourism Research* 37, 727–743.

Cavlek, N. (2002) Tour operators and destination safety. *Journal of Tourism Research* 29, 478–496.

Chesney-Lind, M. and Lind, I. (1986) Visitors as victims: crimes against tourists in Hawaii. *Annals of Tourism Research* 13, 167–191.

Cohen, E. (1987) The tourist as victim and protégé of law enforcing agencies. *Leisure Studies* 6, 181–198.

Dolnicar, S. (2005) Understanding barriers to leisure travel: tourist fears as a marketing basis. *Journal of Vacation Marketing* 11, 197–208.

Drakos, K. and Kutan, A.M. (2003) Regional effects of terrorism on tourism: evidence from three Mediterranean countries. *Journal of Conflict Resolution* 47, 621–641.

Durrheim, D.N. and Leggat, P.A. (1999) Risks to tourists posed by wild mammals in South Africa. *Journal of Travel Medicine* 6, 172–179.

Dwyer, L., Edwards, D., Mistilis, N., Romanand, C. and Scott, N. (2009) Destination and enterprise management for a tourism future. *Tourism Management* 30, 63–74.

Enders, W., Sandler, T. and Parise, G.F. (1992) An econometric analysis of the impact of terrorism on tourism. *Kyklos* 45, 531–554.

Floyd, M.F., Gibson, H., Pennington-Gray, L. and Thapa, B. (2004) The effect of risk perceptions on intentions to travel in the aftermath of September 11, 2001. *Journal of Travel and Tourism Marketing* 15(2/3), 19–38.

Fuchs, G. and Reichel, A. (2004) Cultural differences in tourist destination risk perception: an exploratory study. *Tourism (Turizam): International Interdisciplinary Journal* 52, 21–37.

Fuchs, G. and Reichel, A. (2006) Tourist destination risk perception: the case of Israel. *Journal of Hospitality Marketing and Management* 14(2), 83–108.

Fuchs, G. and Reichel, A. (2010) An exploratory inquiry into destination risk perceptions and risk reduction strategies of first time vs. repeat visitors to a highly volatile destination. *Tourism Management* 32, 266–276.

George, R. (2003) Tourists' perceptions of safety and security while visiting Cape Town. *Tourism Management* 24, 575–585.

Harper, D. (2006) The tourist and his criminal: patterns in street robbery. In: Mansfeld, Y. and Pizam, A. (eds) *Tourism Security and Safety: From Theory to Practice*. Elsevier Butterworth-Heinemann, Burlington, Massachusetts/Oxford, UK, pp. 125–137.

Holcomb, J. and Pizam, A. (2006) Do incidents of theft at tourist destinations have a negative effect on tourists' decisions to travel to affected destinations. In: Mansfeld, Y. and Pizam, A. (eds) *Tourism Security and Safety: From Theory to Practice*. Elsevier Butterworth-Heinemann, Burlington, Massachusetts/Oxford, UK, pp. 105–124.

Howard, R.W. (2009) Risky business? Asking tourists what hazards they actually encountered in Thailand. *Tourism Management* 30, 359–365.

Jonas, A., Mansfeld, Y., Paz, S. and Potasman, I. (2011) Determinants of health risk perception among low-risk-taking tourists traveling to developing countries. *Journal of Travel Research* 50, 87–99.

Kozak, M., Crotts, J.C. and Law, R. (2007) The impact of the perception of risk on international travelers. *International Journal of Tourism Research* 9, 233–242.

Krakover, S. (2005) Estimating the effects of atrocious events on the flow of tourism to Israel. In: Ashworth, G. and Hartmann, R. (eds) *Horror and Human Tragedy Revisited: The Management of Sites of Atrocities for Tourism*. Cognizant Communication, Elmsford, New York, pp. 183–194.

Larsen, S., Wibecke, B., Torvald, T. and Leif, S. (2007) Subjective food-risk judgments in tourists. *Tourism Management* 28, 1555–1559.

Lepp, A. and Gibson, H. (2003) Tourist roles, perceived risk and international tourism. *Annals of Tourism Research* 30, 606–624.

Mansfeld, Y. (1996) Wars, tourism and the 'Middle East' factor. In: Pizam, A. and Mansfeld, Y. (eds) *Tourism, Crime and International Security Issues*. Wiley, New York, pp. 265–278.

Mawby, R.I. (2000) Tourists' perceptions of security: the risk fear paradox. *Tourism Economics* 6, 109–121.

Mitchell, V.W. and Vassos, V. (1997) Perceived risk and risk reduction in holiday purchases: a cross-cultural and gender analysis. *Journal of Euromarketing* 6(3), 47–97.

Narayan, P.K. (2005) Did Rabuka's military coups have a permanent effect or a transitory effect on tourist expenditure in Fiji: evidence from Vogelsang's structural break test. *Tourism Management* 26, 509–515.

Okumus, F. (2005) Safety. In: Pizam, A. (ed.) *International Encyclopedia of Hospitality Management*. Elsevier Butterworth Heinemann, Oxford, UK/Burlington, Massachusetts, p. 567.

Page, S.J., Bentley, T. and Walker, L. (2005) Tourist safety in New Zealand and Scotland. *Annals of Tourism Research* 32, 150–166.

Paraskevas, A. and Arendell, B. (2007) A strategic framework for terrorism prevention and mitigation in tourism destinations. *Tourism Management* 28, 1560–1573.

Peattie, S., Clarke, P. and Peattie, K. (2005) Risk and responsibility in tourism: promoting sun-safety. *Tourism Management* 26, 399–408.

Pinhey, T.K. and Inverson, T.J. (1994) Safety concerns of Japanese visitors to Guam. *Journal of Travel and Tourism Marketing* 3(2), 87–94.

Pizam, A. (1999) Comprehensive approach to classifying acts of crime and violence at tourism destinations and analyzing their differential effects on tourism demand. *Journal of Travel Research* 38, 5–12.

Pizam, A. (2002) Editorial: Tourism and terrorism. *International Journal of Hospitality Management* 21, 1–3.

Pizam, A. and Fleischer, A. (2002) Severity versus frequency of acts of terrorism: which has a larger impact on tourism demand? *Journal of Travel Research* 40, 337–339.

Pizam, A. and Mansfeld, Y. (2006) Towards a theory of tourism security. In: Mansfeld, Y. and Pizam, A. (eds) *Tourism, Security and Safety: From Theory to Practice*. Elsevier Butterworth-Heinemann, Burlington, Massachusetts/Oxford, UK, pp. 1–27.

Pizam, A., Tarlow, P. and Bloom, J. (1997) Making tourists feel safe: whose responsibility is it? *Journal of Travel Research* 36(1), 23–28.

Reisinger, Y. and Mavondo, F. (2005) Travel anxiety and intentions to travel internationally: implications of travel risk perception. *Journal of Travel Research* 43, 212–225.

Reisinger, Y. and Mavondo, F. (2006) Cultural differences in travel risk perception. *Journal of Travel and Tourism Marketing* 20(1), 13–31.

Richter, L. and Waugh, W. (1986) Tourism politics and political science: a case of not so benign neglect. *Annals of Tourism Research* 10, 313–315.

Rittichainuwat, N. (2008) Responding to disaster: Thai and Scandinavian tourists' motivation to visit Phuket, Thailand. *Journal of Travel Research* 46, 422–432.

Rittichainuwat, B.N. and Chakraborty, G. (2009) Perceived travel risks regarding terrorism and disease: the case of Thailand. *Tourism Management* 30, 410–418.

Roehl, W.S. and Fesenmaier, D.R. (1992) Risk perceptions and pleasure travel: an exploratory analysis. *Journal of Travel Research* 2(4), 17–26.

Ryan, C. (1993) Crime, violence, terrorism and tourism: an accidental or intrinsic relationship? *Tourism Management* 14(3), 7–10.

Santana, G. (2004) Crisis management and tourism. *Journal of Travel and Tourism Marketing* 15, 299–321.

Sönmez, S.F. (1998) Tourism, terrorism, and political instability. *Annals of Tourism Research* 25, 416–456.

Sönmez, S.F. and Graefe, A.R. (1998a) Influence of terrorism risk on foreign tourism decisions. *Annals of Tourism Research* 25, 112–144.

Sönmez, S.F. and Graefe, A.R. (1998b) Determining future travel behavior from past travel experience and perceptions of risk and safety. *Journal of Travel Research* 37, 171–177.

Sönmez, S.F., Apostolopoulos, Y. and Tarlow, P. (1999) Tourism in crisis: managing the effects of terrorism. *Journal of Travel Research* 38, 13–18.

Tarlow, P.E. (2006) Crime and tourism. In: Wilks, J., Pendergast, D. and Leggat, P. (eds) *Tourism in Turbulent Times: Toward Safe Experiences for Visitors*. Elsevier, Oxford, UK, pp. 93–105.

Tasci, A.D.A. and Gartner, C.W. (2007) Destination image and its functional relationships. *Journal of Travel Research* 45, 413–425.

Tsa, C.H. and Chen, C.W. (2010) An earthquake disaster management mechanism based on risk assessment information for the tourism industry – a case study from the island of Taiwan. *Tourism Management* 31, 470–481.

Tsaur, S.H., Tzeng, G.H. and Wang, K.C. (1997) Evaluating tourist risks from fuzzy perspectives. *Annals of Tourism Research* 24, 796–812.

Uriely, N. and Belhassen, Y. (2006) Drugs and risk-taking in tourism. *Annals of Tourism Research* 33, 339–359.

Viscusi, W.K. and Zeckhauser, R.J. (2003) Sacrificing civil liberties to reduce terrorism risks. *Journal of Risk and Uncertainty* 26, 99–120.

Wilks, J. (2006) Current issues in tourist health safety and security. In: Wilks, J., Pendergast, D. and Leggat, P. (eds) *Tourism in Turbulent Times: Toward Safe Experiences for Visitors*. Elsevier, Oxford, UK pp. 3–18.

Yechiam, E., Barron, G. and Erev, I. (2005) The role of personal experience in contributing to different patterns of response to rare terrorist attacks. *Journal of Conflict Resolution* 49, 430–439.

19 Destination Crisis Management

Lori Pennington-Gray and Abraham Pizam

Introduction

General importance of crisis and tourism

Tourism is arguably the largest and fastest growing industry in the world (WTTC, 2008). In 2007 alone, according to the United Nations World Tourism Organization (UNWTO, 2008), international tourist arrivals reached a record high of 903 million with US$ 856 billion in tourism receipts, and stated by the World Travel and Tourism Council (WTTC, 2008), contributed to 238.3 million jobs. By 2010, tourists arrivals are expected to exceed 1 billion, with a figure of 1.6 billion forecast by 2020 (WTO, 2008), while 9.2% (296.3 million) of total worldwide employment will be related to the travel and tourism industry by 2018 (WTTC, 2008).

The significance of tourism is attributed to its economic worth given that visitor expenditure infuses throughout a mixture of sectors of the economy in consequence of the multiplier effect in income and employment through its interrelated business, which includes lodgings, attractions, restaurants, cruise lines, car rentals, travel agents, tour operators and so forth (Goeldner and Ritchie, 2009). None the less, the tourism industry is perhaps one of the most susceptible industries due mainly to crises and disasters (Santana, 2004). Given the interconnectedness of these multiple tourism businesses, a crisis can have overwhelming and constant long-term impacts for destinations and the industry, as well as for the nation's economy (Heath, 1998; Faulkner, 2001; Blake and Sinclair, 2003; Santana, 2004).

Recently, it has become apparent that the tourism industry has been affected by an increased number of crises and disasters around the globe (Faulkner, 2001; Ritchie, 2004; Santana, 2004). The frequency, strength and destruction of disasters and crises have been augmented, with dramatic environmental, social and economic consequences to affected communities (Pizam and Smith, 2000; Faulkner and Vikulov, 2001; Huang and Min, 2002; Blake and Sinclair, 2003; Drakos and Kutan, 2003; Miller and Ritchie, 2003; Prideaux *et al.*, 2003; Wall, 2005; Bonham *et al.*, 2006; Robinson and Jarvie, 2008). Besides these effects, public interest in safety, security and crisis management has been dramatically heightened because of those catastrophic events (Floyd *et al.*, 2004; Hall *et al.*, 2004; Santana, 2004). Additionally, the damage caused has brought to the fore the need for advanced levels of crisis management from governmental and non-governmental agencies. Consequently, it is crucial for the tourism industry to focus on crisis management for safeguarding the tourism industry from any likely crises (Ritchie, 2004; Gurtner, 2005).

Significance and importance of tourism crisis management

The absence of some form of crisis management planning is often a decisive mistake made by organizations (Spillan and Hough, 2003). Strategic management relates to a set of strategies to manage unexpected events in which organizations have no control (Faulkner, 2001). Pearson and Mitroff (1993, p. 59) suggest that 'the purpose of crisis management is not to produce a set of plans; it is to prepare an organization to think creatively about the unthinkable so that the best possible decisions will be made in a time of crisis.' Although crises management is a requirement for most organizations, and business leaders recognize the importance of crisis management, many do not undertake productive steps to address crisis situations (Kash and Darling, 1998). Nevertheless, decisions undertaken prior to a crisis will enable more effective management, rather than permit the crisis to manage the organization (Burnett, 1988; Kash and Darling, 1998; Cloudman and Hallahan, 2006). Proactive measures through the use of strategic planning may help to decrease risk, wasted time, poor resource management, and decrease the impact of crises (Heath, 1998).

Why is crisis planning needed in tourism destinations?

According to the United Nations World Tourism Organization (WTO; as it was then) and the World Meteorological Organization (WMO) (WTO/WMO, 1998, p. 1), crisis planning is important and needed in tourism destinations for the following reasons:

1. The global reach and large size of the tourism industry.
2. The fact that much tourism development occurs in areas vulnerable to natural disasters (such as beach resorts in coastal areas and ski resorts in snowy mountains).
3. Difficulties posed by language barriers between tourists and their hosts.
4. The potential for long-term negative impacts on a destination resulting from disaster.

5. The opportunity to transfer technology to newer, developing destinations that will enable them to improve their preparedness and mitigation strategies.

Given the sensitivity and volatility of the tourism industry to crises, there is an obvious need for guidance and strategies on how to deal with and overcome the impacts of crises in the tourism industry (Gurtner, 2005; Pforr and Hosie, 2008). Tourism organizations need to be prepared to assist tourists when exposed to crises or catastrophic events, so the assessment of current practices and managerial decision-making behaviour within the tourism industry with respect to crisis management is of significant importance. In fact, crisis and disaster management should be the main competency for tourism destination managers (Ritchie, 2004).

Within the context of the tourism industry, there are several benefits to having crisis management planning. First, comprehensive crisis planning will allow a tourism organization to reduce the potential loss of revenue following a crisis (Faulkner, 2001). Secondly, the availability of crisis management has been found to increase the competitiveness of organizations and destinations (Ritchie, 2009). Thirdly, the availability of some form of crisis management measures will assist in rebuilding customer's confidence to visit or revisit the destination following a crisis (Beirman, 2003). Finally, the availability of a plan will increase the organization's credibility (Fink, 2000).

In tourism, having a comprehensive crisis management practice has been found to reduce the severity of the crisis impacts (Glaesser, 2003, 2006). It is recognized that while it is complex to foresee or manage crises and disasters, tourism organizations can still ease the risks through thorough preparation, which allows for more effective incident management (Faulkner, 2001). Fundamentally, planning includes removal of much of the identified risk and uncertainty in low probability and high impact events so that organizations can gain control over management operations (Fink, 1986). Crisis management in the tourism industry basically entails planning for, responding to and recovering

from the crisis and/or disaster. Therefore, proactive measures such as the development of tourism crisis management plans that strategically emphasize communication and training, visitor evacuation and economic recovery are a prerequisite to alleviating the negative social and economic impacts of likely crises.

In the context of the tourism industry, several strategic management frameworks have been advanced (Faulkner, 2001; PATA, 2003; Ritchie, 2004; Santana, 2004; Evans and Elphick, 2005; Huang *et al.*, 2008; Paraskevas and Arendell, 2007); however, the crisis management planning framework proposed by the Pacific Asia Tourism Association (PATA, 2003) offers the most appropriate application to tourism managers (Huang *et al.*, 2008). The PATA framework relies on an action-oriented approach and segments the elements of a crisis management plan into several activity phases in order to gain control over a crisis. The model constitutes four phases in tourism crisis management: reduction, readiness, response and recovery.

Definitions and Explanations

Types of disasters

Disasters can be divided into those with natural causes, those that are technological or man-made, those that are health related and those that are conflict-based.

1. Natural disasters can be further divided into climate-oriented and geophysical disasters. Among the most common climate-oriented disasters that can have serious impacts on tourist destinations are: (i) hurricanes and tropical storms; (ii) tornadoes; (iii) floods; (iv) snow avalanches; (v) wildfires; and (vi) other extreme weather conditions. Geophysical disasters include: (i) earthquakes; (ii) tsunamis; (iii) volcano eruptions; and (iv) landslides.

2. Technological or man-made disasters can be subdivided into those that are: (i) transportation related (e.g. airplane crashes, ships sinking, railroad wrecks); (ii) biological (i.e. accidental release of harmful biological agents into the air, ground or water); (iii) chemical accidents (i.e. accidental releases of harmful synthetic chemicals or gases into the air, groundwater and sea, such as the accident in Bhopal, India in 1984); (iv) nuclear accidents (i.e. a breach of a nuclear reactor core which causes large amounts of radiation to be released into the atmosphere, such as the accidents at Chernobyl, Russia or Three Mile Island, Pennsylvania); and (v) hazardous material spills (i.e. oil spills released into the sea or coastal waters from tankers or marine oil rigs, such the *Exxon Valdes* in Alaska in 1989 and the Gulf of Mexico oil spill in 2010).

3. Health-related disasters can be divided into: (i) epidemic diseases (infectious diseases that spread quickly to many people, such as influenza); (ii) pandemic diseases (diseases that spread through human populations across large regions, such as cholera and smallpox); and (iii) endemic diseases (infectious diseases that occur frequently in a specific geographical location, such as malaria in Africa). Diseases can also be subdivided into: (i) airborne diseases (e.g. legionnaires' disease), SARS (severe acute respiratory syndrome), avian flu; (ii) waterborne diseases (e.g. cholera, typhoid, dysentery); (iii) food-borne diseases (e.g. Norwalk virus, salmonellosis, botulism).

4. Conflict-based incidents can be divided into: (i) riots (e.g. the 1992 Los Angeles race riots in California); (ii) wars (e.g. the Yom Kippur (Arab–Israeli) War in 1973 and the 2003 Iraq war); (iii) revolutions and civil wars (e.g. the East and Central European revolutions in 1989, and the Afghan civil war in 1989–1992); (iv) acts of terrorism, which be subdivided into: bombings (e.g. Oklahoma City in April 1995, and the 9/11 World Trade Center attacks); airline and ship attacks (e.g. the hijacking of the *Achille Lauro* in October 1985); chemical/biological attacks (e.g. the sarin attack in Tokyo in March 1995, and the 2001 anthrax attacks in the USA); infrastructure attacks (e.g. computer networks); and violence and crime waves (e.g. those in Rio de Janeiro in 2004, and in Mexico in 2010).

Types of disaster impacts

There are several types of disaster impacts. This section will outline the characteristics of individual impacts, economic impacts, social impacts and institutional impacts.

Individual impacts

The impacts of a disaster on an individual are varied. Tourists are concerned with human-induced crises more than with nature-induced crises (Plog, 2005). They are also more likely to modify their travel behaviour in the event of a crisis (Valencia and Crouch, 2008). This modification includes travelling to a safer place, the cancelling of travel plans, shortening travel plans, or even requesting a refund for evacuation.

The impact of a disaster felt by tourists depends on several factors, including the distance travelled between the tourist and the location in which the tourism experience is offered, and familiarity. For instance, when a flood hits a small country in Micronesia, it will be perceived differently by visitors in the country's major markets. However, when a hurricane strikes Florida, people from other states and key European markets will be more likely to modify their travel plans to Florida. These impacts are also heavily influenced by media coverage. The more coverage the crisis receives from international mass media the more it has been shown to affect individual behaviour.

Economic impacts

The second type of disaster impact is economic. This impact is one of the greatest, mostly because tourism is largely emphasized owing to its economic significance – given that visitor expenditure permeates throughout various sectors of the economy as a result of the multiplier effect in income and employment (Goeldner and Ritchie, 2009). Consequently, the economic impact of a disaster is often quantified by the decline in tourist arrivals. For instance, in 2005 Hurricane Katrina caused 1409 tourism and hospitality businesses to shut down in Louisiana (Pearlman and Menik, 2008), while New

Orleans lost on an average of $15.2 million per day (Pearlman and Menik, 2008).

Social impacts

The third type of impact of a disaster is the social impact. It is challenging to measure the social impact of a disaster for tourists because they are a transient population (Phillips and Morrow, 2007). Most of the social impacts of a disaster are experienced by residents, so this section outlines some of the social impacts of a disaster on local residents. These may include fatalities, injuries and displacement of people. For instance, in addition to the over 1300 fatalities caused by Hurricane Katrina in 2005 over the state of Louisiana, there were thousands of people, and as many animals, who rode out Katrina and were left without clean water, food and shelter. In addition, the often chaotic situation following a disaster – as evidenced in the Katrina situation and in Haiti following the 2010 earthquake – triggers loathing and an increased crime rate. In the long run, the degradation of social fabric that may emerge can lead to the decline of residents' quality of life and need a long term of recovery to return to normalcy.

Institutional impacts

The fourth type of impact arising from disasters is institutional. Given that tourism products are mostly service based, the impact of a disaster relates to the quality of the experience felt by the customers. As a service, the image of the product or the destination is pivotal in attracting customers (Beirman, 2003; Kozak *et al.*, 2007). Given this, as disasters hit a destination, that image may be adversely affected. Tourism organizations need to give special attention to protecting their destination/organization image. In fact, protecting the destination image is an important goal in tourism crisis management (Faulkner, 2001; Cavlek, 2002). Once the image is tarnished through media coverage in the event of a crisis, it may need a long time to return to normality. In addition, other destinations that offer similar products to a similar market may use the event to their own advantage.

Measurement of disaster impacts

Measuring disaster impacts is very complex, as a disaster is a multidimensional situation (Rohrmann, 1995). There are some indicators that are commonly used to measure disaster impacts, for example, the number of casualties, cost of damage and environmental impact. With regard to measuring disaster impacts for the tourism industry, some indicators that often used to measure the severity of the impact are tourist casualties, travel adversity, media perceptions and decline in tourist arrivals following the disaster.

The multidimensionality of a disaster and the complexity of the tourism industry pose a challenge for the industry in measuring the actual impacts of a disaster on the industry. The most commonly used method for measuring impact severity is the survey (Ritchie, 2009).

Primary threats to tourists

Research indicates that people often act recklessly when they are on vacation. As a result, they are often targets for crime – either soft targets or hard targets (Tarlow, 2006). However, in addition to being targets for criminal activities, tourists can also be a soft target for terrorists (Sönmez, 1989). Targeting tourists can help terrorists achieve their strategic objectives. These objectives encompass using excitement and commotion at tourist centres as a cover for terrorism activities, destabilizing economies or gaining desired media attention. Large groups of foreign-speaking and foreign-looking tourists can act as camouflage by allowing terrorists to hide within a crowd. In addition, terrorists can also circulate among travellers and carry out financial transactions in foreign currency without creating suspicion. As tourism represents a significant economic activity, so terrorist attacks on tourists can cause foreign exchange receipts to decline. Finally, by targeting tourists, terrorists can gain media exposure which can increase their profiles and amplify their messages. Most of the time, visitors are just in the wrong place at the wrong time, and because they are visitors, the media reacts to their victimization more strongly.

Tourists as vulnerable populations

Tourists are a special population that requires a different level of attention from residents, particularly so because they may not know the local language, or understand where to find information (the local newspaper or TV station), or know where to go if they need to be evacuated (WTO, 1998; Buckle et al., 2001). Hoogenraad et al. (2004) noted that independent travellers and tourists are more vulnerable to natural hazards as they travel outside their social groups and often take more risks. Similarly, Murphy and Bayley (1989) argued that tourists tend to ignore risk and show a low level of natural hazard awareness. A study by Johnson et al. (2007) indicated that among visitors in the USA, 46% were unaware of tsunami warning systems compared with 28% of locals, and only 19% of visitors has seen tsunami hazard maps.

The Functions of Crisis Management

Crisis management has four main functions: preparedness, response, mitigation and recovery.

1. Preparedness: the purpose of preparedness is to lessen disaster damage, enhance disaster response operations and prepare organizations and individuals to respond.
2. Response: the purpose of the response function is to provide emergency assistance, reduce probability of additional injuries or damage and speed recovery operations.
3. Mitigation: this function should occur before the emergency or disaster takes place and is intended to eliminate or reduce the probability of occurrence. It includes appropriate actions to postpone, dissipate or lessen the effect of the crisis. The function may also take place after a disaster as officials seek to rebuild better and implement 'lessons learned'. Examples of mitigation strategies

include revised building codes, new or revised land-use management regulations such as flood zoning restriction, and public education programmes such as a tsunami awareness campaign.

4.   Recovery: the purpose of the recovery function is to return systems to normal levels. Examples of recovery strategies include damage assessment, crisis counselling, provision of temporary housing, etc.

Cases of Applied Crisis Management Plans

Examples of comprehensive crisis management plans by destination management organizations (DMOs)

Queensland

Queensland was the first Australian state to have a comprehensive tourism crisis management plan to ensure a whole government and industry response to impacts on the tourism industry. Following the events of 9/11, a multilevel government Tourism Crisis Management Plan was developed to enable government to respond more effectively to industry shocks. The Plan was developed using interdisciplinary approaches to address all facets of crisis management. It is generic, and can be initiated quickly in the event of a significant shock. The Plan has three levels of activation: Level one is a short-term local or regional impact; Level two is a reduction in domestic and/or international travel to Queensland; and Level three is a significant long-term negative consequence for the industry.

The Plan is broken into four core stages: prevention, preparedness, response and recovery. It includes an action plan detailing proposed pre-shock and post-shock responses in four key theme areas: communications, research, marketing and business/industry development and assistance. The dissemination of the Plan includes help for tourism businesses and workers, employment and training incentives and initiatives, and special small business workshops following a crisis.

Queensland's Tourism Crisis Management Plan provides a template for the development of the National Tourism Incident Response Plan, which establishes a process for delivering a coherent national response aimed at minimizing the impact of crisis events.

Washington, DC

The Washington, DC Convention and Tourism Corporation (WCTC) is the primary organization responsible for promoting the Washington, DC area as a tourism, convention and special event destination. In the event of a crisis affecting the DC area, the corporation's main responsibilities include: (i) a central point for gathering and disseminating information to travel, tourism and news media about the status of Washington, DC as a travel destination; (ii) a central information point of public information for destination conditions and accommodation status; and (iii) organizing a central clearing house for hotel availability to assist with the placement of evacuees, emergency workers or displaced conventions, meetings or individual visitors.

The crisis plan is designed to aid WCTC staff and the tourism industry in the event of crises in extraordinary working conditions or forced evacuation from offices. The strength of the plan lies in its colour codes, which are used to measure the severity of the incident. Green refers to a low condition of crisis. Examples of situations that may trigger activation of green code include potential protest or boycott, or terrorist attack or natural disasters. Anyone on the WCTC Crisis Response Team can identify a Code Green situation. In this situation, WCTC staff members should consider the following general measures: check/restock all emergency supplies, review and update emergency preparedness guides, test the toll-free number assigned to the crisis team, and monitor reports and updates from sources including the media, emergency operations and outside sources.

The WCTC uses a Code Yellow situation to refer to an elevated condition of crisis. This code is declared only when the crisis response

team has found enough information. Only senior members of the crisis response team may elevate the warning to a Code Yellow situation. When this code is declared, the following measures will be implemented: (i) coordination of emergency plans with external partners as appropriate; (ii) imparting the contingency and emergency response plan to various stakeholders; and (iii) preparing to move to an alternative location if deemed necessary.

The highest colour code used by the WCTC is red. A Code Red situation is declared when the circumstances have escalated to a severe condition. Only executive management members of the crisis response team may declare this code. Once a Code Red is declared, the following measures will be implemented: (i) the crisis response team will be gathered as soon as possible to allow quick and accurate communications and decisions; (ii) staff should be assigned to address critical needs as outlined in the crisis communication plan; and (iii) communication takes place with partners to gain updated information with regard to the incident.

Finally, to support the function of the WCTC, the crisis management plan also includes specific activities for each code and type of incident, the responsibilities of each department, information on contacts and methods of communication, and an evacuation plan.

Orlando, Florida Convention and Visitors Bureau

One of most comprehensive tourism crisis plan at the county level is the Orlando Convention and Visitors Bureau (CVB). The strength of Orlando CVB's crisis management plan lies in the detail that it presents with regard to the steps required to manage any plausible crises that occur in Orlando.

In the event of incidental emergencies, the CVB is positioned as the goodwill ambassador for Orange County, where the city of Orlando makes sure that victimized tourists are taken care of. Orlando CVB serves as a source of information for the tourism industry with regard to all crisis incidents. In a severe event, such as natural disaster,

whether Orlando sustains a direct hit or is used as an evacuation centre during an emergency such as a hurricane landfall, the major role of the CVB is primarily the inventorying and communication of availability of accommodation. The CVB also functions as an information source from evacuees, the media and general visitors.

The CVB plan clearly indicates the members of the crisis response team, the department responsibilities and activities that will be carried out to overcome the crisis. The external operations outlined in the crisis plan include: procedures to alert staff, for transportation and room availability and for the notification of pending groups; procedures to communicate with the general public, including visitors; and procedures to communicate with the media. Internal operations in the case of an emergency include, but are not limited to: ensuring the safety of CVB property and its employees through back-up data such as critical industry contact information; emergency supplies; and the procedures to ensure the safety of employees. By dividing the crisis response operation into internal and external operations, the CVB is able to operate more effectively.

Best practices for DMO crisis management plans

Mexico

In 2009, the tourism industry in Mexico suffered from an outbreak of swine flu (swine origin H1N1 flu virus). As a result of the outbreak, several countries issued travel restrictions for Mexico. Following the travel advisories, and as part of the containment effort of the epidemic, the Mexican government decided to shut down the country's airports. The result of the shutdown was severe. With no international tourists entering Mexico, many businesses had to close in the short term, which caused a significant loss of revenue. Following the shutdown, the Mexican Tourism Board worked with the government (the Tourism Secretariat, SECTUR) to provide updated information on the situation through its website and mass media. The use

of mass media and the Internet played a significant role in releasing up-to-the-minute information to the general public.

When the outbreak declined, the Mexican Tourism Board launched three phases of recovery programmes (eTurbonews, 2009). The first phase of the three-part multimedia campaign entitled 'Believe It' ran for a series of 2 weeks and consisted of television advertisements in markets across the USA. In addition to using conventional mass media, Mexico used social media to entice travellers back to Mexico. The campaign carried strong impacting statements and featured leaders such as President Barack Obama. The campaign highlighted the success of Mexico in tackling the H1N1 outbreak. The second phase, entitled 'Welcome Back' reminded Americans of past times which had bonded them to Mexico. In the third phase, a cooperative campaign entitled 'Mexico – It's Time To Go' lured travellers back to Mexico with great deals and packages. As part of the campaign, Mexico's National Institute of Anthropology and History signed an agreement with Google Mexico to promote archaeological and historical sites. In addition to partnering with Google to showcase the plethora of historical gems in Mexico, the Institute also started a channel on Youtube.com to further showcase historical landmarks. Finally, it launched advertising campaigns in 12 major US markets and six in Canada. The result of this quick response and recovery plan was an increase in the number of visitors to Mexico after the airports reopened.

The Mexico case indicates that the role of the Internet and social media in disseminating updated information following a crisis is critical. The social media have become one of the most effective ways to convey messages to the general public in the event of a crisis.

Jakarta, Indonesia

On 17 July 2009, a tragic bombing occurred in the JW Marriot Hotel and Ritz Carlton in Jakarta, killing seven tourists. Three of the seven victims who were killed were Australians, two were from the Netherlands, one was from New Zealand and one from Indonesia. More than 50 people were injured in the blasts. Both blasts were caused by suicide bombers, who checked into the hotels as paying guests several days earlier. This attack shocked Jakarta and the entire country.

In order to minimize the negative impact of the incident, the Indonesian government, through the Ministry of Culture and Tourism, took several immediate actions. Right after the incidents, the Ministry activated a crisis team that comprised representatives from the Ministry, several hoteliers and a group of tour operators. The Ministry established a crisis centre which provided comprehensive information and the latest updates of the situation to the media, partners, visitors and other parties. The Minister of Culture and Tourism, Jero Wacik, activated the Emergency Response System and the Standard Operations Procedures, which followed the UNWTO guidelines for crisis in the tourism industry.

The result of this quick response was positive. Ministry of Culture and Tourism and Indonesian Hotel and Restaurant Association data indicated that there was not an obvious exodus from Jakarta, Bali or any other tourism destinations in Indonesia. On 22 July 2009, Xi Jing, the UNWTO regional representative for the Asia Pacific indicated that the city was recovering rapidly from the attack and 'congratulated the Government of Indonesia and the tourism industry for the professional approach taken and efficient capacity in handling the crisis' (Tourism Directory, 2009).

The Indonesian government's response to the bombings offered a lesson on how to manage perceptions and mitigate the impact of unfavourable mass media reports or foreign government travel advisories and warnings in response to a crisis at a tourism destination. The government effectively addressed these concerns by activating the crisis centre right after the incident, and the crisis centre provided positive information to the public and the media. As a result, there was no indication that tourism arrivals were affected in Jakarta, Bali and other tourism destinations in Indonesia.

The USA

Following the second Iraq war in 2002, the Travel Industry Association of America (TIA) launched a special website for its members, the media and the general public. The website contained six main sections. The first was the travel industry crisis position and message points; this section contained a statement from the TIA CEO acknowledging a crisis and justifying the need for the website. The second section was the travel industry crisis performance update; this contained industry overviews of performance by key segments. The third section was the travel industry crisis research page; this contained information from surveys and the results of past studies on the impacts of a crisis on consumers and the industry. The fourth part of the website was the travel industry support section for security enhancements; this contained information for Americans and visiting travellers. The fifth section outlined the impacts on the travel industry of the Gulf War (1990–1991), of 9/11 and of SARS, and described how the industry responded to the aforesaid crises. The last section presented the travel industry crisis recovery plan. This outlined the objectives of the plan and programme actions, e.g. press releases, talking points, opinion pieces, letters to editors, speeches, campaign logos, advertising artwork and templates, and public service announcement artwork. The section also contained details of legislative actions, such as the multipoint recovery plan presented and sample letters to Congress. Most of the items on the website were static, but several that were time sensitive were updated frequently. To ensure the use of the website and maintain both past and current information, it remained live for about 6 months and was not protected by password. While it was difficult to measure the effectiveness of the website, it received positive attention and a great deal of activity from the industry.

The case outlines the importance of having a solid information source in the event of a crisis. In addition to having a crisis centre, activating an informational crisis website plays a significant role in filling the information vacuum before it is filled by other parties.

Future Crisis Management Research Issues

For tourism destinations, crisis management is part of tourism destination management. Crisis management and crisis marketing need to be integrated into strategic planning for the destination. Challenges and issues in destination management have a significant impact on crisis management. Among those challenges, limited financial resources and increasing demand from internal constituencies have important impacts on future crisis management efforts.

Crises of all kinds have triggered reactions among many DMOs. Common responses include budget cutbacks and renewed emphasis on local markets (Gretzel *et al.*, 2006). Budget cutbacks could be viewed as necessary when a crisis hits, and as a foreseeable consequence of reduced revenue. Thus, it is politically savvy to demonstrate fiscal responsibility. However, budget cutbacks could pose a long-term threat to efficient crisis management; crisis management efforts that prepare for the future might rank lower on the priority list than more immediate concerns.

Two important future research issues should be noted by researchers and practitioners. First, it is critical to plan how to communicate more efficiently with internal and external stakeholders about the importance of investing in crisis management. For example, internal marketing strategies and tools could be utilized to shore up support for crisis management. Secondly, how can annual budgets allocate monies for crisis management more effectively? New technologies for modelling crises have important implications in this area.

DMOs need to investigate the marketing requirements and consequences of the alternatives identified by recovery plans. Although alternatives may vary among different destinations, a common practice is to shift marketing efforts away from traditional markets to new markets, either temporarily or permanently. For example, after the 9/11 terrorist attacks, many domestic destinations refocused on short-distance and local markets to cope with the disruption caused by perceptions of safety and security. Different sectors

of the travel and tourism industry might have different perceptions of the destination, and industry sectors such as hotels and attractions could be affected differently by the proposed strategy to focus on the local market. Understanding the long-term impacts of different alternatives is another topic for future study.

Future studies on crisis management should provide an easily useable knowledge base for DMO managers to base their crisis management efforts on. Most existing research is on an ad hoc basic and lacks a holistic approach towards crisis management (Carlsen and Liburd, 2008). Isolated case studies and reports of best practices tend to provide specialized information, but their findings cannot be easily applied in different communities under different scenarios. To resolve this issue calls for efforts from both researchers and practitioners. Researchers need to take a step back to look at the current state of crisis management studies and start to develop a broad and common knowledge base (e.g. Laws and Prideaux, 2006). Practitioners should demand more practice-oriented research and elaborate on their requirements.

DMOs clearly take centre stage with regard to crisis management planning and preparing, particularly for visitors to the community. The leadership role of DMOs requires their managers to be equipped with current knowledge and the managerial tools to make strategic decisions and execute management plans. Although organizational learning has been proposed as a model for knowledge creation and sharing within DMOs (Ritchie, 2004; Blackman and Ritchie, 2008), a knowledge gap might still exist. Furthermore, managers from a traditional marketing background might lack the necessary training for crisis management. Certificate programmes such as those provided by the Tourism Crisis Management Institute at the University of Florida are an important first step. Future studies are needed to evaluate the collaboration between DMOs and academic institutes on training and other human resource management frontiers.

Acknowledgment

References

Beirman, D. (2003) *Restoring Tourism Destinations in Crisis: A Strategic Marketing Approach*. CAB International, Wallingford, UK.

Blackman, D. and Ritchie, B.W. (2008) Tourism crisis management and organizational learning. *Journal of Travel and Tourism Marketing* 23(2–4), 45–57.

Blake, A. and Sinclair, M.T. (2003) Tourism crisis management: US response to September 11. *Annals of Tourism Research* 30, 813–832.

Bonham, C., Edmonds, C. and Mak, J. (2006) The impact of 9/11 and other terrible global events on tourism in the United States and Hawaii. *Journal of Travel Research* 45, 99–110.

Buckle, P., Marsh, G. and Smale, S. (2001) *Assessing Resilience and Vulnerability: Principles, Strategies and Actions*. Emergency Management Australia, Canberra, Australian Capital Territory.

Burnett, J.J. (1998) A strategic approach to managing crises. *Public Relations Review* 24, 475–488.

Carlsen, J.C. and Liburd, J.J. (2008) Developing a research agenda for tourism crisis management, market recovery and communications. *Journal of Travel and Tourism Marketing* 23(2–4), 265–276.

Cavlek, N. (2002) Tour operators and destination safety. *Annals of Tourism Research* 29, 478–496.

Cloudman, R. and Hallahan, K. (2006) Crisis communication preparedness among US organizations: activities and assessments by public relations practitioners. *Public Relations Review* 32, 367–376.

Drakos, K. and Kutan, A.M. (2003) Regional effects of terrorism on tourism: evidence from three Mediterranean countries. *Journal of Conflict Resolution* 47, 621–641.

eTurboNews (2009) Mexico Launches 'North America Recovery Campaign'. eTurboNews 18 June 2009. Available at: http://www.eturbonews.com/9873/mexico-launches-north-american-recovery-campaign (accessed 29 March 2011).

Evans, N. and Elphick, S. (2005) Models for crisis management: an evaluation of their value for strategic planning in the international travel industry. *International Journal of Tourism Research* 7, 135–150.

Faulkner, B. (2001) Toward a framework for tourism disaster management. *Tourism Management* 22, 135–147.

Faulkner, B. and Vikulov, S. (2001) Katherine, washed out one day, back on track the next: a post mortem of a tourism disaster. *Tourism Management* 22, 331–344.

Fink, S. (1986) *Crisis Management: Planning for the Inevitable*. Association of Management, New York.

Fink, S. (2000) *Crisis Management: Planning for the Inevitable*. iUniverse.com, Lincoln, Nebraska.

Floyd, M.F., Gibson, H., Pennington-Gray, L. and Thapa, B. (2004) The effect of risk perceptions on intentions to travel in the aftermath of September 11, 2001. *Journal of Travel and Tourism Marketing* 15(2–3), 19–38.

Glaesser, D. (2003) *Crisis Management in the Tourism Industry*. Elsevier Butterworth-Heinemann, Oxford, UK.

Glaesser, D. (2006) *Crisis Management in the Tourism Industry*. Elsevier Butterworth-Heinemann, Oxford, UK/Burlington, Massachusetts.

Goeldner, C.R. and Ritchie, J.R.B. (2009) *Tourism: Principles, Practices, Philosophies*, 11th edn. John Wiley, Hoboken, New Jersey.

Gretzel, U., Fesenmaier, D.R., Formica, S. and O'Leary, J.T. (2006) Searching for the future: challenges faced by destination marketing organizations. *Journal of Travel Research* 45, 116–126.

Gurtner, Y.K. (2005) Adversity and resilience: a case study of crisis management in a tourist-reliant destination. In: Tremblay, P. and Boyle, A. (eds) *Sharing Tourism Knowledge*, *Proceedings of the 2005 CAUTHE Conference*. Charles Darwin University, Alice Springs, Nothern Territory, pp. 196–198.

Hall, C.M., Timothy, D.J. and Duval, D.T. (2004) Security and tourism. Towards a new understanding? *Journal of Travel and Tourism Marketing* 15(2–3), 1–18.

Heath, R. (1998) *Crisis Management for Managers and Executives*. Pitman Publishing, London.

Hoogenraad, W., Eden, R.V. and King, D. (2004) Cyclone awareness amongst backpackers in Northern Australia. *Australian Journal of Emergency Management* 19(2), 25–29.

Huang, J.-H. and Min, J.C.H. (2002) Earthquake devastation and recovery in tourism: the Taiwan case. *Tourism Management* 23, 145–154.

Huang, Y.-C., Tseng, Y.-P. and Petrick, J.F (2008) Crisis management planning to restore tourism after disasters: a case study from Taiwan. *Journal of Travel and Tourism Marketing* 23(2–4), 203–221.

Johnson, D., Becker, J., Gregg, C., Houghton, B., Paton, D., Leonard, G. and Garside, R. (2007) Developing warning and disaster response capacity in the tourism sector in coastal Washington, USA. *Disaster Prevention and Management* 16, 210–216.

Kash, T.J. and Darling, J. (1998) Crisis management: prevention, diagnosis and intervention. *Leadership and Organization Development Journal* 19, 179–186.

Kozak, M., Crotts, J.C. and Law, R. (2007) The impact of the perception of risk on international travelers. *International Journal of Tourism Research* 9, 233–242.

Laws, E. and Prideaux, B. (2006) Crisis management: a suggested typology. *Journal of Travel and Tourism Marketing* 19(2–3), 1–8.

Miller, G. and Ritchie, B.W. (2003) A farming crisis or a tourism disaster? An analysis of the foot and mouth disease in the UK. *Current Issues in Tourism* 6, 150–171.

Murphy, P.E. and Bayley, R. (1989) Tourism and disaster planning. *Geographical Review* 79(1), 36–46.

Paraskevas, A. and Arendell, B. (2007) A strategic framework for terrorism prevention and mitigation in tourism destinations. *Tourism Management* 28, 1560–1573.

PATA (2003) *Crisis: It Won't Happen to Us. Expect the Unexpected. Be Prepared*. Pacific Asia Tourism Association (PATA), Bangkok, Thailand Available from: http://www.patastore.com/products/Crisis%3A-It-won%27t-Happen-To-Us!.html (accessed 29 March 2011).

Pearlman, D. and Melnik, O. (2008) Hurricane Katrina's effect on the perception of New Orleans leisure tourists. *Journal of Travel and Tourism Marketing* 25, 58–67.

Pearson, C.M. and Mitroff, I.I. (1993) From crisis prone to crisis prepared: a framework for crisis management. *Academy of Management Executives* 7(1), 49–59.

Pforr, C. and Hosie, P.J. (2008) Crisis management in tourism: preparing for recovery. *Journal of Travel and Tourism Marketing* 23(2–4), 249–264.

Phillips, B.D., and Morrow, B.H. (2007) Social science research needs: focus on vulnerable populations, forecasting, and warnings. *Natural Hazards Review* 8**,** 61–68.

Pizam, A. and Smith, G. (2000) Tourism and terrorism: a quantitative analysis of major terrorist acts and their impact on tourism destinations. *Tourism Economics* 6, 123–138.

Plog, S. (2005) Managing tourism crises: an interview with Lily Shum, Former Director, the Americas, Hong Kong Tourism Board. *Cornell Hotel and Restaurant Administration Quarterly* 46, 452–460.

Prideaux, B., Laws, E. and Faulkner, B. (2003) Events in Indonesia: exploring the limits to formal tourism trends forecasting methods in complex crisis situations. *Tourism Management* 24, 475–487.

Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25, 669–683.

Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. *Aspects of Tourism*. Channel View Publications, Bristol, UK.

Robinson, L. and Jarvie, J.K. (2008) Post-disaster community tourism recovery: the tsunami and Arugam Bay, Sri Lanka. *Disasters* 32, 631–645.

Rohrmann, B. (1995) *Risk Communication for Fires Emergencies: Theoretical Concepts and Practical Procedures*. Department of Psychology, University of Melbourne, Melbourne, Victoria.

Santana, G. (2004) Crisis management and tourism: beyond the rhetoric. *Journal of Travel and Tourism Marketing* 15(4), 299–321.

Sönmez, S.F. (1998) Tourism, terrorism, and political instability. *Annals of Tourism Research* 25, 416–456.

Spillan, J. and Hough, M. (2003) Crisis planning in small businesses: importance, impetus and indifference. *European Management Journal* 21, 398–407.

Tarlow, P. (2006) Best Education Network Think Tank V Keynote Address. Disaster management: exploring ways to mitigate disasters before they occur. *Tourism Review International* 10, 17–25.

Tourism Directory (2009) Jakarta is Recovering Rapidly from the Bomb Attacks. *Tourism Directory* 23 July 2009. Available at: http://www.directorytourism.com/news_35_-Jakarta-is-Recovering-Rapidly-from-the-Bomb-Attacks.html (accessed 29 March 2011).

Valencia, J. and Crouch, G.I. (2008) Travel behavior in troubled times: the role of consumer self-confidence. *Journal of Travel and Tourism Marketing* 25, 25–42.

UNWTO (2008) *Tourism Highlights 2008*. United Nations World Tourism Organization (UNWTO), Madrid, Spain.

Wall, G. (2005) Recovering from SARS: the case of Toronto tourism. In: Mansfeld, Y. and Pizam, A. (eds) *Tourism, Security and Safety: From Theory to Practice*. Elsevier Butterworth-Heinemann, Oxford, UK, pp. 143–152.

WTO/WMO (1998) *Handbook on Natural Disaster Reduction in Tourist Areas*. World Tourism Organization (WTO)/World Meteorological Organization (WMO), Madrid, Spain.

WTTC (2008) *Progress and Priorities 2008-2009*. World Travel and Tourism Council (WTTC), London.

20 A Model of Destination Competitiveness and Sustainability

J.R. Brent Ritchie and Geoffrey I. Crouch

_____

Introduction

This chapter will review the understanding we have gained from several years of research and from several more years of ongoing discussions with industry leaders regarding the nature of competitiveness among tourism destinations. This understanding has been captured, in summary form, in the model of Destination Competitiveness and Sustainability (Ritchie and Crouch, 2003). This model contains seven components which we have found to play a major role, from both policy and management perspectives, in determining the competitiveness and sustainability of a tourism destination. In addition to the understanding which these seven components provide from a policy perspective, the specific elements of each of the major components provide more useful/practical guidance to those who are responsible for the ongoing management of a destination management organization (DMO).

With this overview in mind, the chapter will provide a detailed review and explanation of the model that I have developed with my colleague, Dr Geoffrey I. Crouch of Latrobe University in Melbourne, Australia. Based on previous presentations throughout the world, it has proven very helpful to both academics and practitioners who seek to understand the complex nature of

tourism destination competitiveness and sustainability.

While the majority of the chapters in this book are original works, we have been asked to submit this extracted summary from a major research-based book which identified the factors that the CEOs of major North American DMOs believe determine the competitiveness and the success of a sustainable tourism destination (Ritchie and Crouch, 2003). Before launching into the examination of our model of destination competitiveness, we provide a brief review of the concepts of competitiveness and sustainability, because they provide the foundations for the model.

The Nature of Tourism Destination Competitiveness

How tourism destinations develop, maintain, protect or strengthen their competitive positions in an increasingly competitive and global marketplace is a challenge that has risen to prominence in the tourism industry (Blanke and Chiesa, 2007). This challenge is characterized by a number of significant complexities. The first of these is that a tourism destination, by its nature, is very different from most commercially competitive products. The product of the tourism sector is an

experience that is delivered by a destination to its visitors. This experience is produced not by a single firm but by all players who affect the visitor experience; namely, tourism enterprises (such as hotels, restaurants, airlines, tour operators, etc.), other supporting industries and organizations (such as the arts, entertainment, sports, recreation, etc.) and DMOs (whether private, public, or private–public partnerships).

The more traditional reviews of competitiveness have focused primarily on the economic dimensions of destination strength and performance. While economic performance is certainly an important dimension of tourism competitiveness, it is only one dimension (see Fig. 20.1). Because of the unique nature of tourism, the true ability of a tourism destination to compete also involves its social, cultural, political, technological and environmental strengths. In summary, what makes a tourism destination truly competitive is its ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations.

Sustainability from a Tourism Destination Perspective

It is perhaps not surprising that much of the interest in managing tourism from a sustainability perspective focuses on the ecological dimension of sustainability, given the level of concern expressed globally about humankind's pressure on the earth's environment. However, we contend that there are four primary pillars of sustainable tourism and that appropriate policy and management solutions must be found for each of them if true sustainability is to be achieved. These four primary pillars of sustainability are, in our view, the ecological, economic, sociocultural and political/governance environments.

The *ecological* or natural environment is a major attraction for many destinations. Often, the experience of a unique natural environment represents the core of a destination's tourism product – the African savannah, the Canadian Rocky Mountains, the Australian outback and coral reefs, the South American rainforests, the Norwegian fjords, the canyon lands of America. For many destinations, these natural phenomena represent the lifeblood of their tourism industries, and any
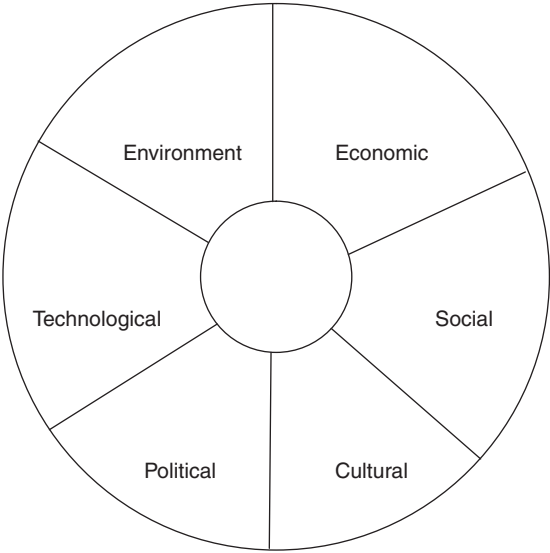
Fig. 20.1. The multidimensional strengths of a tourism destination.

decline in their value will have an adverse effect on the destination. Residents of these destinations have the most at stake in the protection and preservation of their natural environments. But the tourism industry has an important role to play too, not just in terms of ensuring that any tourism development minimizes harm to the ecology, but also by providing an economic incentive that encourages preservation and protection.

In addition to protecting the environment, the tourism policy and management strategy must be capable of meeting the economic needs and aspirations of residents over the long term. If it is to do so, the following considerations may be influential in determining *economic* sustainability. These include being of benefit to many, not just a few, the utilization of local labour, job security, and attractive wages, salaries and benefits.

To be sustainable, a tourism development strategy for the destination must also address its *sociocultural* impacts. When tourists travel, the desire to see, experience and learn something of the destination's sociocultural fabric is typically a central element of their motivation. Notwithstanding the fact that the culture which tourists experience is often somewhat artificial or inauthentic, the presence and influence of tourists may create impacts on the host society and its culture. These impacts may be temporary or permanent, positive or negative, minor or substantial, and are often greatest when the cultural distance between the host and guest cultures is considerable. In any case, policies and programmes that minimize adverse social and cultural impacts (such as crime, prostitution, alienation of certain segments of the population, trivialization of culture and the disintegration of a way of life), while fostering an interest and pride in those things that define a culture or society without placing it in a time warp, present sustainable choices.

Finally, although *political* sustainability is rarely identified as one of the pillars of sustainability, we feel that it is potentially critical to the acceptability of tourism within any destination. One might argue that if a strategy for tourism destination development is ecologically, economically and socioculturally sustainable, it will probably be acceptable politically. But there is often little consensus or agreement about how one determines sustainability and, consequently, there is much room for disagreement. This is often a philosophical question, but it creates much political debate.

Model of Destination Competitiveness and Sustainability

As noted earlier, the research on which our model (see Fig. 20.2) is based extended over an 8-year period, and consisted primarily of a series of qualitative interviews with the CEOs of DMOs, mostly in North America but also Europe and elsewhere. These CEOs were asked to identify and prioritize the factors that they believed determined the competitiveness and success of tourism destinations. In this regard, the model seeks to explore two different, but highly related, types of competitive advantage.

First, *comparative advantages* (based on resource endowments) are those with which a destination has been blessed by God and/or nature – as well as those which the destination and its society have developed and accumulated over time. These include its historical and cultural resources, its economy, its human and physical resources, its knowledge and conceptual resources, the cumulative basic infrastructure which visitors expect to be available even though it probably does little to attract them and, finally, the elements of the tourism superstructure that have been put in place specifically to attract and satisfy the interests of visitors.

Secondly, the effectiveness and efficiency with which a destination deploys its resource endowments (or resource deployment) leads to growth and development in its tourism sector, thus contributing to the creation of *competitive advantages*. Together, the destination's comparative advantages and its competitive advantages in tourism create its overall ability to compete in the tourism marketplace and, ultimately, its ability to reach the levels and types of success that it realizes in the tourism field.
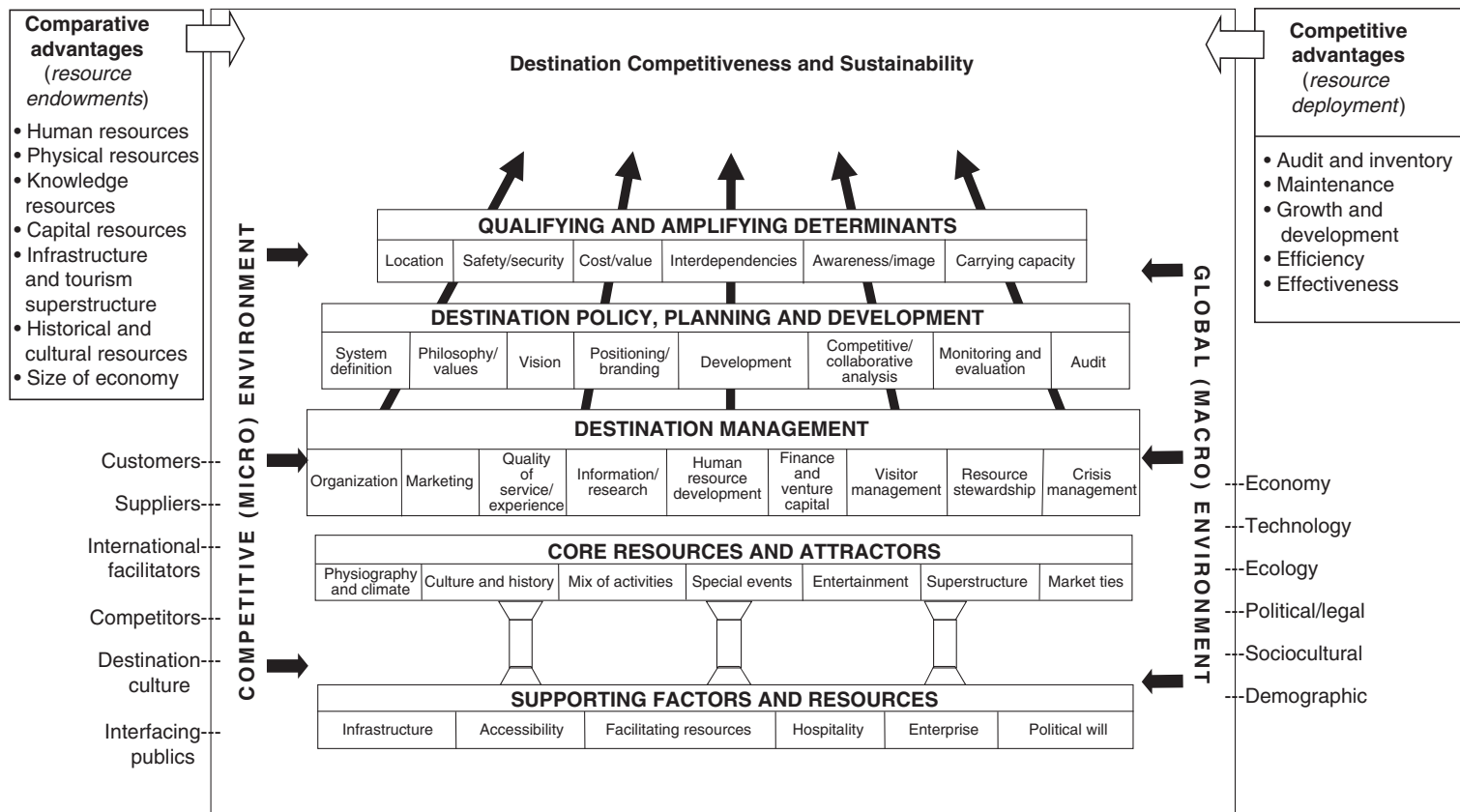
Fig. 20.2. The Ritchie/Crouch conceptual model of destination competitiveness and sustainability (Ritchie and Crouch, 2003).

An Overview of the Components of the Model

The global (macro) environment

The tourism system is an open system. That is, it is subject to many influences and pressures that arise outside the system itself. This is the global or macro environment. It consists of a vast array of phenomena that broadly affect all human activities and which are not therefore specific to the travel and tourism industry in their effects. By comparison, the competitive or micro environment is part of the tourism system because it concerns the actions and activities of entities in the tourism system that directly affect the goals of each member of the system whether they be individual companies or a collection of organizations constituting a destination.

The macro environment is global in its scope. Events in one part of the world today can produce an array of consequences for a destination. Global forces can alter a destination's attractiveness to tourists, shift the pattern of wealth to create new emerging origin markets, adjust the relative costs of travel to a particular destination, and disrupt relations between other cultures and most of a destination. These forces present the destination with a number of special concerns, problems or issues that it must either adapt to, or overcome.

The global (macro) environment is in a constant state of change and evolution. Destination managers need to regularly monitor the environment if they are to understand the 'big picture' and anticipate and pre-empt changes altering the tourism landscape. Marketers will recognize this as the need to avoid 'marketing myopia'.

Macro environmental factors are often categorized into six principal groups related to the *economy*, *technology*, *ecology*, *political and legal developments*, *sociocultural issues* and the constantly evolving *demographic environment*.

The competitive (micro) environment

A destination's competitive (micro) environment is made up of organizations, influences and forces that lie within the destination's immediate arena of tourism activities and competition. As a general rule, these *close-in* elements of the environment tend to have a more direct and immediate impact than do elements of the global (macro) environment. The micro environment, because of its proximity and greater sense of immediacy, often occupies the attention of managers owing to its ramifications regarding the destination's ability to serve visitors and remain competitive.

Apart from the destination itself, the competitive (micro) environment includes other entities that together form the so-called 'travel trade', in addition to the various tourism markets, competing destinations and a destination's publics or stakeholders. As components of the *tourism system*, they shape the immediate environment within which a destination must adapt in order to compete. These components include *suppliers* who are connected to tourists through tourism marketing channels and consist of *intermediaries* and *facilitators*. These include: *tour packagers*, who assemble tourism products or experiences from among the vast alternatives supplied; *retail travel agents*, who provide information and reservation convenience and expertise to tourism markets; *specialty channellers*, such as incentive travel firms, corporate travel offices, meeting and convention planners, etc., who, by their nature, provide specialized forms of travel planning and organization; and the *facilitators*, who assist in the efficient and effective functioning of the tourism system by improving the flow of information, money, knowledge, services and people.

Customers, that is, travellers and tourists, are, or at least should be, the focus and source of the driving force in the competitive (micro) environment. Another element of the competitive environment is the *competitors* themselves; that is, other destinations, organizations or firms with which an entity competes because they offer broadly similar products to essentially the same group of customers, at least in part. Traditionally, these 'competitors' have been regarded as adversaries. Increasingly, however, in these days of downsizing, partnerships and virtual

corporations, a new word, 'coopetition', is being added to the lexicon of the business world to reflect the fact that other organizations or entities can present both cooperative and competitive challenges.

A destination's *internal environment* or *internal culture* is also an element of the micro or competitive environment that affects its competitiveness. To be competitive, a destination must function as a real entity. That is, it must have a sense of itself. In other words, it should have a purpose and be managed in a way that promotes the pursuit of that purpose. In the case of many destinations, this attribute probably plays a strong and unique role in shaping a destination's tourism image, as well as its reality.

The final element of a destination's competitive (micro) environment involves the many *publics* with which a destination must contend and which it must satisfy. These include the media, government departments, the general public, local residents, financial institutions and citizen-action groups.

Core resources and attractors

This component of the model describes the primary elements of destination appeal. It is these factors that are the key motivators for visitation to a destination. While other components are essential for success and profitability, it is the core resources and attractors that are the fundamental reasons that prospective visitors choose one destination over another. These factors fall into seven categories; physiography and climate, culture and history, market ties, mix of activities, special events, entertainment and the tourism superstructure.

Because so much of the tourism experience is associated with the physical resources of a destination, the *physiography* and *climate* of a destination can be so important that they dominate other factors of competitiveness. As these include the overall nature of the landscape and the climate of the destination, together they define the nature of the environmental framework within which the visitor exists and enjoys the destination. They

also define much of the aesthetics and visual appeal of the destination – and because they are factors over which destination managers have little or no control, much of the built tourism environment is constrained by their characteristics. Thus, to a great extent, a destination's physiography and climate make up the one parameter of core attractiveness around which other factors must be creatively developed.

Similarly, the *culture* and *history* of a destination can be an enormously important factor as well. Although these aspects may be viewed as somewhat more malleable than physiography and climate from a management perspective, the culture and history of a destination are also determined by factors well outside the scope of tourism. Indeed, it can be argued with great justification that little or no attempt should be made to alter local culture and history for the purpose of tourism development. Once this constraint is accepted, however, a destination's culture and history furnish a basic and powerful attracting force for the prospective visitor. This force appears to be growing in significance for many segments of the travel market, particularly in today's world of 'homogenized tourism', where one destination often seems to resemble another. So, if a destination can provide visitors with a unique setting within which to experience lifestyles outside their day-to-day routines, it has a clear competitive advantage. If this lifestyle is complemented by historical environments that contrast with those found in the home situation, the destination has a clear competitive advantage in efforts to create a memorable experience.

The *market ties* component of destination attractiveness is also outside the direct control of tourism destination managers. Nevertheless, it is one that evolves over time, and one that can be influenced to varying degrees by those responsible for managing a tourism destination. The term 'market ties' includes several dimensions along which a destination establishes and builds linkages with the residents of tourism originating regions. Ethnic ties resulting from immigration patterns that have evolved over time – often long periods of time – provide the strongest and perhaps

most enduring linkages for building systematic and predictable travel flows to a destination. The 'visiting friends and relatives' (VFR) segment of the travel market, while not necessarily the most profitable segment, provides a firm foundation for building tourism within a destination. Even more important, it often leads to the establishment of business ties that can generate a steady flow of visitors and create other forms of economic development. Other ties include religion, sports, trade and culture.

The range or *mix of activities* within a destination represents one of the most critical aspects of destination appeal, and one over which destination managers do have extensive influence and control. While the activities within a destination may be defined to a large extent by physiography and culture, there is, none the less, considerable scope for creativity and initiative. The activities dimension of destination attractiveness appears to be growing in importance as the traveller increasingly seeks experiences that go beyond the more passive visitation practices of the past. In *The Experience Economy: Work Is Theatre and Every Business a Stage*, Pine and Gilmore (1999, p. 2) argue that customer experience rather than customer service is a hallmark of new economic growth: 'Experiences are a fourth economic offering [the others being commodity, good, or service], as distinct from services as services are from goods'. The challenge facing the tourism destination manager is to develop those activities that take advantage of the natural physiography of the destination while remaining consistent with the local culture and its value. For example, a 'nature-based' destination should take the opportunity to strengthen its appeal by developing activities that build on this strength; a 'historical/cultural' destination should creatively identify and develop activities that reinforce this foundation of its appeal.

The attractor defined as *special events* represents a distinctive extension to that of the activity mix. It is of particular managerial interest because it is one over which destination managers have a great degree of control. The term 'special events' refers to a wide range of 'happenings' that can create high levels of interest and involvement on the part

of both visitors and residents. The spectrum of possible special events ranges from modest community festivals to large-scale international 'mega events' such as the Olympic Games, World Expositions and global sporting championships. Each end of the spectrum has an important role to play. Local festivals provide the opportunity to involve residents in events of particular relevance to their daily lives, and may also draw visitors from nearby regions. Mega events (Ritchie, 1984) demand a much higher level of commitment, while providing a much greater opportunity to establish a destination's tourism credentials at the international level. While generally more commercial and professional in nature, the decision to host a particular type of mega event should not ignore the interests and potential for involvement of members of the local community.

Entertainment is another category of destination core resources or attractors. The entertainment industry is a major supplier to travel and tourism. Apart from gambling, the Las Vegas experience is based on entertainment. Many visitors to New York or London include a live show in their travel itineraries. Entertainment can even attract tourists internationally. New Zealand is an important market for theatre productions in Melbourne and Sydney, which are too expensive to stage in the smaller New Zealand market. The theatre, concerts, comedy festivals, operas and circuses such as Cirque du Soleil are examples of the contribution that the entertainment sector can make toward a destination's competitiveness.

The final core dimension of destination attractiveness, *tourism superstructure*, is another over whose development destination managers can exert a considerable amount of control. In fact, it is the tourism superstructure, which primarily comprises accommodation facilities, food services, transportation facilities and major attractions that many view as the 'tourism industry'. Certain elements of the tourism superstructure may be categorized by some as supporting factors of destination appeal, in that visitors do not, for example, normally choose a destination just to eat and sleep. They do, however, visit a destination largely because of the appeal of

its attractions. Despite the possible legitimacy of the view that excludes accommodation and food services from the tourism superstructure, it can also be argued with considerable force that the quality of these factors can represent in itself a significant percentage of the overall appeal of a destination. For this reason, the present model defines them as components of core attractiveness.

Supporting factors and resources

Whereas the core resources and attractors of a destination constitute the primary motivations for inbound tourism, *supporting factors and resources*, as the term implies, support or provide a foundation upon which a successful tourism industry can be established. A destination with an abundance of core resources and attractors, but a dearth of supporting factors and resources, may find it very difficult to develop its tourism industry, at least in the short term, until some attention is paid to those things that are lacking. This may not be easy in a location or region that is poor, undeveloped or underpopulated. The question then becomes, how can the destination begin to use, albeit in a modest way, its abundant attractions to build gradually a tourism industry that will create the wealth, taxes, employment and investment necessary for the provision of the missing supporting elements?

In a region that already enjoys a broad economic base, this question may not arise. Even so, the quality, range and volume of supporting factors and resources are still likely to significantly shape the realization of tourism potential. Where the question does arise, however, particularly careful planning and management is required to ensure a proper balance between tourism growth and the development of infrastructure and other facilitating resources. Without such a balance, economic, social, ecological, and perhaps even political systems, might be placed at risk.

One of the most important supporting factors of a destination is the condition and extent of its general *infrastructure*. Some elements of infrastructure have a very direct influence on destination competitiveness. For example, transportation services and facilities are vital to travellers. Highways, railways, bus services, airports, ferries, etc. convey travellers to and from desired points of interest. The quality of transportation infrastructure is as important as its mere existence. A destination is more competitive when transportation systems are reliable, efficient, clean, safe, frequent and able to take travellers to the locations and attractions of greatest interest. In fact, the infrastructure elements important to all economic and social activity – such as sanitation systems, communication systems, public facilities, a reliable and potable water supply, legal systems, etc. – also provide the basis for an effective and efficient tourism industry.

Successful tourism development also depends on a range of other *facilitating resources* and services, such as the availability and quality of local human knowledge and capital resources, education and research institutions, financial institutions, various areas of public services, etc. The labour market – in terms of available skills, work ethics, wage rates, union demands and government regulations – is particularly important in a sector of the economy where customer service is critical. The availability of capital resources will depend on the extent of local wealth and savings for investment, competition for capital from other industries, government constraints on foreign investment, and the return investors expect to be able to generate from investment in tourism development. The lack of these sorts of resources may severely limit a destination's competitive potential.

The health, vitality and sense of *enterprise*, entrepreneurship and initiatives in developing new ventures in a destination contribute to its competitiveness in a number of ways. These include competition, cooperation, specialization, innovation, facilitation, investment, growth, income distribution and equity, risk taking, productivity, gap filling, product diversification, seasonality management and disequilibria (Crouch and Ritchie, 1995). The tourism industry is replete with many small-to-medium sized enterprises, and the extent to which tourism development

advances economic prosperity and the quality of life of residents depends significantly upon the actions and success of these firms. Porter (1990, p. 125) noted that 'Invention and entrepreneurship are at the heart of national advantage', and he also argued that the role of *chance* does not mean that industry success is unpredictable, because entrepreneurship is not a random phenomenon.

The *accessibility* of a destination, too, is a supporting factor as it is governed by a wide variety of influences, many of which depend on broad economic, social or political concerns. For example, regulation of the airline industry, entry visas and permits, route connections, airport hubs and landing slots, airport capacities and curfews, competition among carriers, etc. all affect the accessibility of a destination in more complex ways than its mere physical location might suggest. Within a destination as well, the accessibility of tourism resources is also a competitive issue. Although the accessibility of resources such as beaches, mountains, national parks, unusual land formations, scenic regions, lakes and rivers, etc. will undoubtedly be influenced by the needs of the tourism industry, other economic, social and sometimes political needs often govern the location of roads and railway lines, for example. A destination's resources are hardly relevant to the issue of competitiveness unless they are accessible to potential tourists and tourism operators alike.

The operating sectors of tourism are responsible for delivering high-quality, memorable experiences. Care must be taken, however, to wrap these experiences in a warm spirit of *hospitality*. Quite simply, it is not enough to deliver all the attributes of an experience in a cold and detached manner. Each individual visitor must feel that they are more than a source of cold cash revenue for the business or destination. Rather, visitors have a natural human desire for warm acceptance as they seek to enjoy the range of experiences the destination has to offer. As such, the challenge facing destinations is to deliver their experiences in a way that enables visitors to believe they are welcome; that they are truly guests.

A further factor that can support or hinder destination competitiveness is its degree of *political will*. Many destination executives we have spoken to have noted how their efforts to develop their destination have either been assisted or frustrated by an abundance or lack of political will, respectively. The saying, 'where there is a will, there is a way,' captures the important role that political support can exert in facilitating efforts by the tourism industry to create a competitive destination. Political will is not just a function of the attitudes and opinions of politicians alone. All community leaders shape political attitudes towards the contribution that tourism might make in helping to stimulate economic and social development and the resultant quality of life in the destination.

Destination policy, planning and development

A strategic or policy-driven framework for the planning and development of the destination with particular economic, social and other societal goals as the intended outcome can provide a guiding hand to the direction, form and structure of tourism development.

In order to formulate a strategic framework, it is first necessary to decide or agree on the framework's subject. That is, 'precisely what is the framework meant to govern?'. This requires an explicit recognition and common understanding across those stakeholders involved in the process concerning the *system definition* of the tourism destination involved. Before different parties can agree or come to some consensus on what needs to be done, they must first agree on the entity for which the strategy is to be developed.

In the process of developing a policy-driven framework for destination development, various philosophical perspectives are likely to emerge among the stakeholders concerned. A community's *philosophy* on the best way to address economic, social, environmental and political goals through tourism development will shape the policy framework. This philosophy needs to fit the circumstances, but there also needs to be some consensus agreement among stakeholders as to the right or at least the prevailing philosophy.

The destination *vision* (Ritchie, 1993) is a statement or understanding of what such a philosophy logically suggests makes most sense as to what the destination should be like in 10, 20 or 50 years. The same general philosophy might, for example, suggest different visions in different circumstances. Where a philosophy is a way of looking at a problem, a vision is more a specific definition of what the destination should become when adopting a particular philosophical perspective.

A tourism development policy, if grounded in reality, ought to be based upon an *audit* of the destination and its attributes, strengths and weaknesses, problems and challenges, past and current strategies, etc. Without some fundamental data on the significant attractions and resources of the destination, its historical performance, current visitors and other vital information, the formulation of a policy framework for developing the destination remains an abstract exercise.

Similarly, *competitive/collaborative analysis* is an evaluation of how the destination relates to and compares with other destinations and the international tourism system. Because competitiveness is a relative concept, decisions about the most appropriate policy or strategy for developing a destination must be made in the context of what other destinations are doing and how they are performing.

A comparable issue involves the marketing concept of *positioning*. An athletic sprint event is a one-dimensional race from a starting point to a finish line. But destination competitiveness is not one-dimensional, and positioning is all about where, in cognitive rather than physical space, a destination is positioned vis-à-vis its competitors. Positioning is all to do with how unique a destination is perceived to be in ways that tourism markets value or regard as desirable or important. Destination positioning entails knowing how different market segments currently perceive that destination against competing destinations, which market segments it makes most sense to covet and therefore target, and how the destination might be effectively and feasibly repositioned with respect to these segments.

Destination policies for tourism *development* should be formulated as an integrative system of mechanisms designed to work in concert, such that overall competitiveness and sustainability goals can be achieved. Development policies should address the full range of important issues that govern destination competitiveness, including both demand- and supply-oriented concerns.

The final element comprising destination policy, planning and development concerns the need and importance of the *monitoring and evaluation* of policies and their outcome. The effectiveness and impact of policies in a complex system can neither be forecast nor predicted with a high degree of confidence when initially formulated. Add to this the fact that the eventual outcome is as much a function of how well the policies are implemented as it is a function of the policies themselves. Hence, the task of policy formulation, planning and development must continue to include research into how well such policies are performing, whether improvements to implementation are needed or, indeed, whether circumstances have changed rendering the policies no longer relevant or effectual.

Destination management

The *destination management* component of the model focuses on those activities that implement, on a daily bias, the policy and planning framework established under the *destination policy, planning and development* component, enhance the appeal of the *core resources and attractors* component, strengthen the quality and effectiveness of the *supporting factors and resources* component, and adapt best to the constraints or opportunities imposed or presented by the *qualifying and amplifying determinants* component. These activities represent the greatest scope for managing a destination's competitiveness as they include programmes, structures, systems and processes which are highly actionable and manageable by individuals and organizations, and through collective action.

Perhaps the most traditional of these activities is the function of *marketing* the destination. In practice, destination marketing has tended to focus on the task of promoting and selling the destination. That is, the concept of marketing has only been applied to the destination in very limited ways. As a result, there is much scope for improving the application of a true marketing philosophy. Beyond promotion and selling, marketing responsibilities and activities are manifold.

The importance of the *service experience* dimension of destination management has also been recognized for some time. Tourists are buying experiences, and experiences are made up of all of the interactions, behaviours and emotions which each tourist permits his/her five senses to perceive and absorb. The choice of hotels, restaurants, attractions, tours, etc. is incidental to the choice of the destination. Efforts to enhance the quality of service (QOS) provided to visitors have recently been complemented by recognition of the need to take a total quality of experience (QOE) approach to visitor satisfaction (Otto and Ritchie, 1995). This approach emphasizes the need to examine the total travel experience of visitors. Essentially, providing individual high-quality service transactions is not enough. To the extent possible, destination managers must attempt to ensure a seamless, hassle-free interface among all elements of the total travel experience. In practical terms, this means paying close attention to such aspects as the convenience of intermodal transfers and travel agents' responsibility for each component of the travel packages that they sell. In brief, on-site and transaction-specific visitor service is not enough.

The *information/research* component of destination management pertains to the development and effective use of information systems that provide managers with the information required for understanding visitor needs, and for effective product development. This also involves the regular monitoring of visitor satisfaction and the tracking of industry performance. This monitoring function must be complemented by special research projects designed to provide specialized information for particular decisions. Finally, each DMO also has the responsibility to disseminate key market and performance information to its members on a timely basis.

The concept of the DMO where the 'M' emphasizes total 'Management' rather than simply 'Marketing' is a somewhat recent conceptualization of the *organization* function for destination management. Within this refocused philosophy, a broader view is taken of the organizational structure of the destination, which, in the opinion of Nadler and Tushman (1997), may be one of the last remaining sources of truly sustainable competitive advantage. This broader view sees management as responsible for the well-being of all aspects of the destination.

While financial institutions will normally fund most private sector tourism development, financial markets and investors, and some public sector support or programmes can assist the availability of *finance and venture capital* to tourism developers.

Similarly, destination management can play a key role in *human resource development* by further encouraging and stimulating education and training programmes designed to meet the specific needs of the tourism and hospitality industries. Although quality education systems are a fundamental element of the facilitating resources under the *supporting factors and resources* component of the model (see above), education programmes are required that specifically address the skills required by employers in tourism and hospitality, just as other industries or economic sectors have cooperated with educational institutions to develop graduate skills in other fields. Australia is an example where educational institutions have responded to the needs of the industry at both secondary and tertiary levels, and in terms of both vocational and professional education and training.

As the travel and tourism industry continues to grow rapidly, concerns have been expressed in various destinations which are subject to large number of visitors that policies and systems are required for *visitor management* in order to exert some influence over visitor impacts.

Another increasingly important challenge for destination managers involves *crisis management*. Destinations have always, from time to time, had to deal with various crises affecting visitors at the time of the crisis, as well as the after-effects in terms of a tarnished destination image. Anecdotally, in recent years, it seems that crises have become more problematic for destinations. The impact of the 11 September 2001 terrorism in New York and Washington was an extreme example, with some visitors to New York or passengers on board the hijacked planes losing their lives. The New York Convention and Visitors Bureau has had to contend with the significant aftermaths of that crisis ever since, but the events had broader impacts for the entire US tourism industry as well. It is easy to think of numerous other acts of terrorism which destinations have also had to contend with over the years. However, crises may arise for many different causes, and when such crises occur, destinations need to be able to respond in an effective way to deal with the immediate impact of the event as well as its longer term consequences.

The final component of destination management in our model of destination competitiveness is a new, but increasingly significant, one. *Resource stewardship* is a concept that stresses the importance, indeed the obligation, that destination managers have to adopt a 'caring' mentality with respect to the resources that make up the destination. This caring mentality involves effective maintenance of those resources and a careful nurturing of those that are particularly vulnerable to damage that may be caused by tourism.

Qualifying and amplifying determinants

Finally, the potential competitiveness of a destination is conditioned or limited by a number of factors that fall outside the scope of the preceding four groups of determinants (core resources and attractors; supporting factors and resources; destination policy, planning and development; and destination management). This final group of factors, which we have called *qualifying and amplifying determinants*, might alternatively have been labelled *situational conditioners* because it represents factors whose effect on the competitiveness of a tourist destination is to define its scale, limit or potential. These qualifiers and amplifiers moderate or magnify destination competitiveness by *filtering* the influence of the other four groups of determinants. They may be so important as to represent a ceiling to tourism demand and potential, but they are largely beyond the control or influence of the tourism sector alone to do anything about them.

For example, a destination's *location* clearly has much to do with its ability to attract visitors. A physically remote destination, one that is far from the world's major originating markets for tourism, is clearly at a distinct disadvantage to begin with. In contrast, another destination perhaps as equally attractive to potential travellers, but which neighbours major markets, is in a much stronger position to be able to convert latent interest into actual visitation because it has the advantage of familiarity and lower travel cost (both monetarily and in terms of the opportunity cost of travel time).

A related but nevertheless different phenomenon concerns the *interdependencies* that exist between destinations. In other words, the competitiveness of any destination is affected by the competitiveness of other destinations. This can best be illustrated if we consider the situation of 'stopover' destinations for a moment. You can probably think of destinations that depend, at least to some significant extent, on travellers who break their journey to or from more distant destinations. If the attractiveness of those distant destinations changes, either positively or negatively, the stopover destination is sure to experience some consequent impact. Another example concerns the impact of terrorist events, wars and crime in a neighbouring region. There are many examples of how events such as these have had a dramatic impact on the destination choices of travellers.

This leads us to the specific issue of *safety and security*. Nothing can influence the choices of travellers more powerfully and patently than concerns over safety and

security. Of course, there will always be the intrepid tourist who disregards travel advisories, warnings or adverse media coverage of events in dangerous destinations. Indeed, some travellers might even seek out dangerous or risky experiences for the excitement and challenge that they represent. In fact though, most people tolerate only a limited degree of uncertainty and risk. The need for safety, along with the physiological needs of food and shelter, represent primary motivational forces behind human behaviour. If potential visitors are gravely concerned about crime, the quality of drinking water, the risk of natural disasters, the standards of medical services, etc., other competitive strengths may amount to very little in the minds of these people. Tourism authorities may launch recovery programmes in response to these problems, which may help somewhat, but problems such as these often dwarf the tourism industry's ability to overcome them.

The *awareness and image* of a destination can also qualify or amplify its competitiveness. The image of a destination can take time to change even though the reality at a destination no longer accords with a negative or positive image. Hence, a negative image will qualify improvements at a destination and a positive image will cushion the effect of problems such as crime or high living costs. Low awareness will also ensure that destination image changes slowly, but the effect of awareness also affects the likelihood that a potential tourist will even consider visiting a destination.

We have also included *cost/value* as a qualifying and amplifying determinant. Now, at first it may seem strange as to why we have classified cost in this way when the 'cost' of a destination can be associated with the specific range of goods and services consumed by visitors to the destination, and the efficiency with which those products are produced. However, although this is true, because the cost of a destination to a foreign visitor is driven by a broad range of local, domestic and global forces, and because cost, in itself, is so fundamental to the question of competitiveness, it makes more sense to treat cost as a qualifying and amplifying determinant than

to incorporate it into any of the other four categories of destination competitiveness determinants. The monetary cost of a destination is governed by three factors: (i) the cost of transportation to and from the destination; (ii) the currency exchange rate (in the case of international travel); and (iii) the local cost of tourism goods and services. Many aspects of the global (macro) environment (e.g. international trade balances, relative interest rates, relative inflation, taxes, etc.) and the competitive (micro) environment (e.g. competition, productivity, cost of supplies, labour rates and agreements, etc.) will affect costs. Consequently cost is largely governed by economic structures within the destination and its comparative international position.

Finally, a destination's *carrying capacity*, if close to or in excess of its sustainable limit, can clearly serve not only to restrict the further growth and/or the competitiveness of a destination, but also result in a deterioration of conditions at the destination, or a decline in its apparent attractiveness. Venice, for example, is clearly an extremely popular destination that is under stress in terms of its carrying capacity. It remains very popular, but struggles to cope with visitors at certain times of the year. Indeed, the restricted system of access to Venice effectively serves as a ceiling on visitor numbers during these peak periods.

Concluding Remarks

In conclusion, while any model is a simplification of reality and, as such, incapable of fully capturing the complexities of a tourism destination and its performance, we are gratified by the reactions we have received from a broad range of both academics and practitioners regarding the assistance that the model has provided in understanding and operating various tourism destinations. In addition, these reactions have provided many suggestions for further improvement to the model. Those who have provided their suggestions can be assured that we are most appreciative of these suggestions and that we shall make every effort to integrate them into the model so as to further enhance its value.

References

Blanke, J. and Chiesa, T. (eds) (2007) *The Travel and Tourism Competitiveness Report 2007: Furthering the Process of Economic Development*. World Economic Forum (WEF), Geneva, Switzerland. Available at: . http://www3.weforum.org/docs/WEF_TravelTourismCompetitiveness_Report_2007.pdf (accessed 30 March 2011).

Crouch, G.I. and Ritchie, J.R.B. (1995) Destination competitiveness and the role of the tourism enterprise. In: Proceedings of the Fourth Annual World Business Congress '*Innovation, Technology and Information Management for Global Development and Competitiveness'*, 13–16 July 1995, Istanbul, Turkey. International Management Development Association (IMDA), Hummelstown, Pennsylvania, pp. 43–48.

Nadler, D.A. and Tushman, M.L. (1997) *Competing By Design: The Power of Organizational Architecture*. Oxford University Press, New York.

Otto, J.E. and Ritchie, J.R.B. (1995) Exploring the quality of the service experience: a theoretical and empirical analysis. In: Swartz, T.A., Bowen, D.A. and Brown, S.W. (eds) *Advances in Services Marketing and Management, Volume 4*. JAI Press, Greenwich, Connecticut, pp. 37–61.

Pine, B.J. and Gilmore, J.H. (1999) *The Experience Economy: Work is Theatre and Every Business a Stage*. Harvard Business School Press, Boston, Massachusetts.

Porter, M.E. (1990) *The Competitive Advantage of Nations*. Free Press, New York.

Ritchie, J.R.B. (1984) Assessing the impact of hallmark events: conceptual and research issues. *Journal of Travel Research* 23(1), 2–11.

Ritchie, J.R.B. (1993) Crafting a destination vision: putting the concept of resident-responsive tourism into practice. *Tourism Management* 14, 379–389.

Ritchie, J.R.B. and Crouch, G.I. (2003) *The Competitive Destination: A Sustainable Tourism Perspective*. CAB International, Wallingford, UK.

21 Destination Management: Challenges and Opportunities

Alan Fyall

————————————

Introduction

The breadth, diversity and depth of the material covered in the earlier chapters of this book demonstrate that the marketing and management of destinations, both in a practitioner and academic sense, is beginning to come of age. One might argue that this is not before time, as commented recently by Bornhorst *et al*. (2010, p. 572), in that 'while the tourist remains the single most important focal point that we seek to understand and satisfy with the complex phenomenon we call tourism, it is critical to recognize that the tourism destination is the primary unit of study and management action'. One of the reasons, perhaps, for the late arrival of destinations on the academic stage, as compared with other arenas of tourism activity, is the extent to which they are considered complex and difficult to manage; a common theme throughout the academic literature. Harrill's (2009, p. 448) recent comment that 'progress is slow in showing how the various and highly varied characteristics and issues facing tourism destinations can be integrated for effective destination management, rather than the piecemeal approach that appears to be the status quo' is not an uncommon view and one that, it is hoped, this book has begun to reverse. Yes, destinations are challenging to market and manage. It is this challenge alone,

moreover, that serves as the necessary catalyst for both the practitioner and academic communities to move the agenda forward. Before this though, it is imperative for those marketing, managing and studying destinations to fully understand the challenges and opportunities facing destinations if they are to be able to develop suitable strategies for the long-term development of destinations and to sustain and enhance their competitiveness in what is increasingly becoming a highly competitive arena of activity (Dwyer *et al*., 2009).

Recent publications by Fyall *et al*. (2009) and Kozak *et al*. (2010) have contributed much to the above agenda in that both represent the outcomes of international conferences (one held in Valencia, Spain, in 2007, and the other held more recently in Bournemouth, UK, in 2009) where the destination was the 'primary unit of study'. So too, has recent work by Pike (2005, pp. 258–259) in which the contention is made that the 'geographical and political boundaries that dissect many destinations often render considered management theory irrelevant, while the consistent lack of funding and the need to maintain a healthy balance between the demands of visitors and residents introduce challenges that are outside the scope of more traditional consumer and business marketing challenges'. The aim of this chapter is thus to introduce those specific challenges and opportunities that have

an impact on the future marketing and management of destinations. To achieve this, the chapter builds on a framework first developed by the author a few years ago, which came about in response to the need for a 'route map' for practitioners and researchers in the field (Fyall *et al.*, 2006). The framework proposed did not arise from any one particular study, but was the outcome of both practitioner and academic frustration over a number of years in trying to present the challenges and opportunities facing destinations in a more unified manner, as well as serving as the foundation for further study. Before presenting the revised framework, however, the following section provides a brief overview of the research to date that underpins the marketing and management of destinations that contributed much to the initial development and more recent refinement of the framework presented in this chapter.

Background

Academic research in the domain of destinations is a relatively recent phenomenon and, for the most part, remains in its infancy. Even so, the breadth and depth of research into the marketing and management of destinations is worthy of synthesis for a chapter of this genre. The first studies were concerned with the conceptualization of destinations and the implications of this for the use of resources. Early studies by the likes of Gunn (1972) contributed much to setting the broader context for research, while work by Butler and others in the early 1980s and 1990s provided the catalyst for two decades of research into the conceptualization of tourism and destination planning with the introduction of the concept of the Tourist Area Cycle (later called the Tourist Area Life Cycle) (Butler, 1980; Inskeep, 1991, 1994; Shaw and Williams, 1997). In the mid 1990s, studies began to focus on the environmental impacts of destination development with work by Garrod and Willis (1992), Archer (1996), Laarman and Gregersen (1996), Pigram (1996) and Faulkner and Tideswell (1997), contributing much to the debate. In addition to the many studies focusing on specific destination types, one of

the research areas of growing importance throughout the 1990s was that of image and related perception studies in the context of destinations (see for example Chon, 1990, 1991; Baloglu and Brinberg, 1997; Seaton, 1997) with a further corpus of research developing in the broader domain of consumer behaviour (such as Goodhall, 1988, 1991; Gilbert, 1990; Ryan, 1997). More recent demandled research has begun to explore destination choice and the modelling of tourist movement with work by Huybers (2003), Lam and Hsu (2006) and Decrop (2010) contributing much to the debate. More pertinent to the content of this chapter, however, is research in the domain of destination marketing by the likes of Ashworth and Goodhall (1990) and Heath and Wall (1992), which helped to set the foundations for more contemporary work on particular aspects of destination marketing, such as branding (Morgan *et al.*, 2002), target marketing (Lee *et al.*, 2006) and niche marketing developments at destinations (Novelli, 2005). This research also paved the way for studies that explored the nature and role of destinations as providers of experiences, which generally built on the seminal publication by Pine and Gilmore (1999) on the wider phenomenon of the 'Experience Economy'.

In response to the earlier work by the late Neil Leiper on tourism as a system of actors and networks (Leiper, 1979, 1990, 1995), more recent studies have focused on the examination of the relationships among actors and stakeholders within destinations, and the means by which they can collectively manage the destination 'experience' better for consumers (see Fyall and Garrod, 2005; Sheehan and Ritchie, 2005; Dredge, 2006). In the context of destinations, such networks bridge the gap between macro and micro systems, help to highlight the relative power of actors and organizations as they interact and come into conflict over policies, and bring together the local and the global. Jamal and Jamrozy (2006) also suggest that destinations can be viewed as complex in that where there are multiple stakeholders with varying degrees of influence over decision making, no one individual stakeholder can fully control development and planning. They add that

key stakeholders are not always located at the destination and places may have to deal with impacts locally that stem from actions and pressures exerted elsewhere in a local–global tourism system. In this instance, systems thinking becomes an imperative in that it requires an understanding of tourism as a networked system of interrelated and interactive components (Jamal *et al*., 2004). In summary, Jamal and Jamrozy (2006, p. 168) state 'that the destination environment represents a complex planning system due to: the interdependence among multiple stakeholders and industries; the fragmented control over planning/development; culturally diverse values and different views; the traditional role of tourism destination marketing focused on growth and rapid development; and, the interrelated impacts in a local–global system'.

To conclude this brief synthesis, the maturing nature of many destinations and the changing and growing complexity of forces in the external and internal environments for destinations have served as a catalyst for the emergence of research into the management of destinations per se, and the closer examination of destination management structures and relationships both within and external to destinations and the myriad of actors and stakeholders that collectively constitute a destination. The recent text by Ritchie and Crouch (2003) provides a valuable overview of the management of destinations in the wider context of sustainability, and introduces a suitable conceptual framework upon which to build much future research (see Chapter 20) while recent studies by Wang and Fesenmaier (2007), Wang and Xiang (2007) and Wang (2008) provide valuable theoretical discussion and case material which will continue to move this exciting agenda forward and cement destinations more fully as the primary unit of research and management action.

The 15 Cs Framework: Reflections and Revisions

Although 4 years may not seem a particularly long period of time, the extent to which the current financial crisis and global recession together continue to reshape the broader tourism landscape are sufficient in themselves to reflect upon and revise the first iteration of the '15 Cs' framework for research first developed by Fyall *et al*. (2006) to provide a suitable synthesis of the key challenges facing the domain of destination marketing and management. Moreover, rather than focusing solely on the challenges faced by destinations, the reflections and revisions discussed below also reflect the opportunities that lie ahead for those marketing and managing destinations across the world. As with the first iteration of this framework, the degree of importance of each of the 'Cs' will vary according to the type and location of destination in question. Notwithstanding, the failure to recognize, consider and act upon even one of the 'Cs' in the development of destination marketing and management strategies will undoubtedly hinder the broader development and sustainability of the destination, as is evident from Fyall and Leask (2007). The remainder of this chapter explores each component of the framework in more depth and sheds light on those opportunities arising from what on the surface appears to be a very challenging landscape for those marketing and managing destinations.

Complexity and control

While the first component of the first iteration of the 15 Cs framework focused on complexity in isolation, the extent to which *complexity and control* are so closely intertwined means that it makes more sense for the two to be considered as one. As evidenced in numerous parts of this book, the 'amalgam' nature of destinations ensures that they are not the easiest of 'products' to manage. With their unique set of characteristics it is likely that this will be the case long into the future. For example, those marketing and managing destinations need to balance the extent to which they are promoters, image and/or brand developers for the destination, creators of destination products, destination champions or advocates, partnership builders or destination planners in a more holistic sense

(Wang, 2008). Similarly, those designing organizational forms to market and manage destinations will need to consider the extent to which such forms serve economic, community, industry, public sector or visitor needs (Morrison *et al.*, 1998). The complexity of destinations is perhaps best evidenced by the means through which visitors frequently differ in their perceptions and expectations of and desired satisfactions from the destination, and the fact that most destinations demonstrate multiple stakeholders, multiple components and multiple suppliers, as well as conveying multiple meanings to multiple markets and visitor segments.

In many parts of the world destination management organizations (DMOs) are increasing in their importance, in part as a result of the exponential growth in the reliance on the service sector in many developed and developing economies, but the exact composition of stakeholders and diversity of the constitution of the DMO is very much an inexact science in that 'different organizational structures as well as their associated governance mechanisms make the definition of the responsibility of such organizations difficult and complex, which can possibly lead to disappointment or unrealistic expectations of the local tourism industry' (Wang, 2008, p. 192). Harrill (2009, p. 452) continues this theme by suggesting that today's 'DMOs have evolved to take an active management role in their own environs as well, both built and natural', the suggestion being that the importance of the destination goes well beyond meeting the needs, wants and expectations of visitors. Harrill (2009, p. 452) continues by indicating that this 'evolution has occurred from simple recognition that the very tourism product that DMOs market must be sustained and maintained, not only out of moral and ethical concerns, but to continue a healthy tourism revenue stream'. This sense of 'duty' reflects the more holistic view of the marketing and management of a destination as espoused by Ritchie and Crouch (2003), who believe that the role of the DMO goes well beyond marketing, as it does once again reflect the complexity of the management task. With less public sector investment likely in the current economic climate across

the globe, the need for a greater financial input from the private sector is likely. This does, however, often result in the overall raising of expectations on the part of many within the destination who, more often than not, falsely believe that the private sector will immediately fill the financial void left by the public sector (Wang, 2008). Instances where pressure from within the DMO to raise revenue from members and stakeholders, who then have a particular interest in how 'their' resources are to be spent, and in the extent to which the DMO is free to develop strategies that appeal to the desired target market, are not uncommon, with it being a particular challenge for many stakeholders to endorse the collective vision for the destination when autonomous action in the short term may be more beneficial to themselves. A similar conflict occurs when considering 'top down centrally-funded' or 'bottom-up member-led' organizational forms for the marketing and management of destinations.

Closely related to the above is the issue of control in that the 'amalgam' nature of the destination ensures that unless all elements are owned by the same body, then the inability to control and influence the direction, quality and development of the destination pose very real challenges. Harrill (2009, p. 462) makes the point that 'fragmentation of control is further exacerbated by the element of public and social good contained in tourism development and marketing, which enhances public sector involvement in tourism, but provides for different goals, policies and desired outcomes'. The reality is that in the majority of cases, no one individual or organization 'controls' the destination; Scott *et al.* (2000, p. 202) add that the 'difficulties of co-ordination and control have the potential to undermine a strategic approach to marketing based on destination branding because campaigns can be undertaken by a variety of tourist businesses with no consultation or co-ordination on the prevailing message or the destination values being promoted'.

Although such challenges appear deep rooted, there is evidence to suggest that new and innovative organizational forms are taking shape – such as the recently launched Destination Edinburgh Marketing Alliance

(DEMA) in Scotland (see www.edinburgh-brand.com) – that are confronting such challenges head on and are very much putting the needs, wants and expectations of the visitor at the forefront of their intentions. It is perhaps painful to accept at the current moment in time that the financial constraints being faced by many destinations, and the increasingly competitive and fickle nature of many visitor markets, suggest that opportunities for change need to be grasped with both hands rather than sneered at. For the future, destinations need to be innovative and flexible in the way they are managed. They also need to be responsive to the needs of the market rather than to the internal demands of stakeholders (in particular those in the public sector), as they need to fully embrace the technologies available (which can assist considerably in their ability to control the destiny of destinations), rather than leave them under the influence of fleet-footed, revenue-driven web developers with no heritage, loyalty and particular interest in the destinations themselves.

Community

While excluded in the first iteration of the 15 Cs, the need to consider the broader needs of the destination *community*, hosts or residents, is significant, as not only does this represent the payers of local taxes, but the host community in many instances is also critical to the success of the overall visitor experience. The importance and impact of tourism extends well beyond visitors, with many commentators arguing that you ignore the needs of the local community at your peril. Jamal and Jamrozy (2006, p. 168), for example, suggest that the objectives of new approaches to destination development 'are not to design a product, price, place and promotion of a tourist destination, but to ensure quality of life and environments through tourism development'. The importance of community relations in the context of destinations was raised more recently by Bornhorst *et al*. (2010), though Harrill (2009, p. 448) suggests that the 'processes by which the local community can work most effectively together with other actors and stakeholders, in order to achieve the strategic tourism planning goals of a community, are not well understood and neither are the organizational structures that might be optimal for managing such a challenging setting'. If the latter is true, then there is a considerable opportunity on the part of destinations to be far more proactive, innovative and genuine in their attempts to engage more positively and productively with the resident community. More than anything else, the local community represents electoral votes and local taxation revenue, while many members of the local community are integral to the success of many destination development initiatives, most notably perhaps through the hosting of festivals and events. In many instances, the local community is the attraction and, as such, the onus is very much on those marketing and managing destinations to ensure that they are fully informed, grasp the economic significance of visitors to their destination and are encouraged to play an integral part in the broader development of the destination in the form of destination ambassadors, champions or evangelists.

Change

Even though *change* is ubiquitous and not unique to the marketing and management of destinations, the pressure for destinations to respond to it positively grows daily. Internal to destinations, change is being driven by the need for greater levels of funding from the private sector, most notably in the UK, where tourism represents a non-statutory function of local government, and the pressure is for the public sector to either maintain or preserve as much as possible the budgets for health, education and social services. Even in destinations where the visitor economy is critical to economic success, it is a very brave politician who places tourism ahead of the needs of often vulnerable groups in the local community.

One of the biggest forces for change evident in the external environment is the ageing of the population and the ability of destinations to adapt to the changes in visitor behaviour driven by changes in generational patterns of demand. Studies by Glover and

Prideaux (2009) on 'Baby Boomers' and by Benckendorff *et al*. (2009) on 'Generation Y' are indicative of the increasing importance of this phenomenon. Glover and Prideaux (2009, p. 27) suggest that destination managers 'will need to decide if they wish to focus their products and marketing on a particular (ageing) generation or a fixed age group'. They go on to add that 'since tourism products are inseparable from the places at which they are consumed, a modification of tourism products to meet changing consumer demand implies that destinations will undergo change'. Although Dwyer *et al*. (2009) identify a host of external pressures for change (including macroeconomic policies, deregulation, rising trade, climate change and the increasing diffusion of technology, to name but a few), Middleton *et al*. (2009) identify the shift of geopolitical power to the East and the impact that this is going to have on visitation patterns, the popularity of certain destinations, and alternative market systems and approaches to the marketing and management of destinations. Opportunities clearly exist, especially with regard to the massive growth of the middle classes in China and India, and the additional propensity for increasing travel among Russians and Brazilians. Most pressing, perhaps, is the pressure on the world's resources, the gradual depletion of which represents a considerable challenge for many destinations. Fluctuating oil prices, economic uncertainty and fears of climate change are all contributing to the phenomenon of 'staycations' with the imperative of politicians to raise carbon taxes and reduce emissions making long-haul travel a potential social 'taboo' in the years to come. More than anything else, however, the combination of all of the above identifies a clear opportunity for those marketing and managing destinations to focus on nearer markets, markets less susceptible to the burden of heavy travel costs, and … the local community!

Crisis

Crises and the fear of crises have been omnipresent across the tourism industry for much of the past two decades, to the extent that all destinations, irrespective of their type and location, are affected either in a positive/negative or direct/indirect manner. Studies by Beirman (2002, 2003), Baral *et al*. (2004), Ritchie (2004) and Carlsen and Hughes (2007) have begun to examine the dynamics of crises, be they natural or man-made, while more recent work by Fletcher and Morakabti (2008) and Reichel *et al*. (2010) have begun to examine the links between perceptions of crises and travel risk. The recent trend towards more restrictive immigration and visa controls in the USA and the UK is for the most part driven by the fear of crises, with quite dramatic reactions in visitation from certain markets, i.e. the reduced number of Russian visitors now visiting the UK generally and London in particular. The fear of crime is one of the factors driving the migration toward 'staycations', in that only one event or bad experience is required to have a negative impact on the destination. The 9/11 attacks on New York, the London bombings of July 2007 and the Indian Ocean tsunami of 2004 all made headlines, and in the short- to mid-term had a significant impact on demand, but street crime, theft or attacks on tourists can have an even more damaging impact. Though safety is an issue for all markets, older markets are particularly vulnerable, so it is imperative that in these circumstances destinations make every effort possible to render such fears irrelevant. Even for less sensitive markets, security at the destination represents a growing dilemma for those marketing and managing destinations. For example, what level of security is deemed appropriate, and to what extent do destinations actively promote security, as there is always the chance that such a move will actually exacerbate the problem? For all destinations, the need to maintain the public realm is one means by which criminal behaviour can be minimized. A further opportunity for some destinations is the extent to which they can develop and market themselves as safe destinations and, in turn, create a competitive edge in the marketplace.

Crime aside, the current economic crisis is damaging to many destinations around the world owing to its stagnating effect on demand from core originating markets such

as Germany, the UK and Japan. If the economic downturn continues, the financial squeeze is likely to have an impact on longer term investment, with tourism in a number of markets continuing to be viewed as a low-return and high-risk industry. Added to this, climate change, or the fear of climate change, is already affecting travel patterns, while the attraction of long-haul travel in a low-carbon world is causing pause for thought among climate-sensitive markets.

Irrespective of the crisis in question, crises represent a classic case where destinations need to adopt a holistic approach to their management, with strong coordination and connectivity among all stakeholders. All destinations now need to incorporate some form of crisis management in their plans and strategies, as to not do so would represent a gross dereliction of duty. That said, awareness of crises is one thing, being able to understand the likely impacts is far more difficult, with many destinations 'still coming to terms with the changing tourist flows that accompany crises and their related spend and accommodation requirements' (Ladkin *et al.*, 2006).

Complacency

The global economic downturn, the earthquakes in Haiti and Chile, and the financial collapse in Greece, with a strong possibility of similar chaos in Spain, Portugal and Ireland in Western Europe, are just a selection of recent crises that are already affecting the demand for and supply of tourism. Such shocks, although not caused by tourism activity, will have profound impacts on the demand for and supply of tourism for many years to come. More than anything else, these events serve to dilute the *complacency* with which many destinations rely on 'traditional', 'core' or 'repeat' custom. Whereas in previous decades, where growth from many origin markets was almost as simple as a straight-line projection, many destinations are now susceptible to dynamic, fickle and highly price-sensitive markets with limited loyalty to the destination. Tourism has proved to be a highly robust phenomenon. What though is

less predictable now, more so than ever before, is the extent to which destinations are able to accurately predict where their market is likely to come from. In reality, markets continually change and, as access opens, they will change even quicker in years to come. Fyall and Leask (2007) commented on the changing visitor composition of both London and Edinburgh in the UK, while the dramatic decline in UK tourists to Spain in recent years is a result of it being not sufficiently 'foreign enough' as a holiday destination (Qureshi, 2010); these changes are significant in that both these destinations have traditionally relied on relatively stable markets in the past. The same could also be said to be true of many islands in the Caribbean, which have relied on core 'colonial' markets; with the migration away from long-haul to short-haul travel, destinations in the Caribbean, Indian and Pacific oceans have much to fear. That said, considerable opportunity now exists to reinvent, reposition and relaunch to new markets, most notably in Asia, where the leading Asian emerging economies are showing accelerated growth. In Europe, it is significant that while many Germans are still travelling, nearly half of all outbound holidays are inclusive package tours rather than organized trips; the cost-effectiveness of travel and value for money sought are driving the market and breaking through the complacency that has existed for decades (ETC, 2009).

From a supply perspective, the traditional rigidity of destination infrastructure needs to be remedied at the beginning of the planning cycle, while the design of hotels and attractions of the future needs to incorporate a flexibility of purpose which takes into account likely future changes in the market. There is also a need for the organizational structures put in place to market and manage destinations to be able to withstand turbulence in the external and internal environments and be fit for purpose (Gretzel *et al.*, 2006). Perhaps the biggest single source of complacency, however, is the paucity of education for those professionals responsible for the marketing and managing of destinations. This issue was raised recently by Harrill (2009, pp. 461–462) who commented that

'while graduates receive good training to research why people travel and how tourism is perceived by prospective travelers and residents, the broader strategic picture (e.g. the inter-organizational contexts of tourism marketing and development, and managing the diversity of stakeholders and interests) appears to receive less attention. Those graduating from the fields of planning, public policy, and management studies, should be better equipped to understand the complex tourism domain and the organizational culture of tourism businesses, including the various evolving forms and functions of DMOs'. Quite simply, destination management needs to be taken far more seriously and professionally in the future if destinations are going to be able to attract those people with the necessary skills, experiences and professional attributes at a sufficient standard to lead destinations in what is likely to be a very turbulent and challenging future.

Customers, co-creation and the visitor experience

One significant development that builds on the initial framework advanced by Fyall *et al.* (2006) is the extent to which *experiential* marketing has come to the fore (Middleton *et al.*, 2009). Although many destinations are having to come to terms with new customer groups, such as the Chinese, Indian and Russian middle classes, and Generation Y, the primary focus of an increasing number of destinations is the recognized need to reduce the emphasis on the destination and focus more on the contemporary consumers themselves who 'use their consumption to make statements about themselves … . To create identities and develop a sense of belonging through consumption' (Williams, 2006). This theme was taken up by Morgan *et al.* (2009) in a study that undertook a comparative examination of the implementation of experiential marketing at destinations in three different countries. What this study quite clearly demonstrates is the diversity of interpretation of the initial seminal text, *The Experience Economy* by Pine and Gilmore (1999), and the extent to which the paradigm shift in tourism

marketing raised by Li and Petrick (2008) has not quite infiltrated the majority of destinations that remain complacent, product driven and lacking in innovation. For experiential marketing to succeed fully, service delivery by front-line staff ought to mirror the staging of experiences where memorable encounters that are personal to each visitor are evident, and where visitors are active participants rather than passive receivers of such an experience to the extent that all participants are buying into and enhancing further the destination's brand values. Such co-produced experiences, while highly relevant to all destinations, are at present of primary value to developed destinations – in that those destinations new to the market have yet to experience declining interest and a need to focus fully on the experiential needs of visitors. For these 'new generations', the fact that the 'product' is new is sufficient in itself, albeit only in the short term, for interest to be generated from the marketplace.

Culture

The issue of *culture* is relevant to both demand-side and supply-side perspectives of destination marketing. For example, as identified in the change component of the 15 Cs, the cultural division between the public and private sectors within tourism continues to represent a barrier for progress across many countries. Even though there is evidence to suggest that change is beginning to happen, albeit slowly, the particular characteristics of the destination and its fundamental reliance on 'public goods' as part of its wider appeal are likely to ensure that the two cultures will have to continue working alongside each other for the foreseeable future (Harrill, 2009). Over the past decade, in parts of the UK some destinations have been in receipt of considerable sums of investment that have been directed toward the changing organizational structures of DMOs. While considered to be a success by some (see Middleton *et al.*, 2009, p. 494), the extent to which such structures continue to rely on the public sector is disappointing in that their longer term sustainability in the austere years that lie

ahead are very much open to debate. That said, Middleton *et al.* (2009) stress that the public and private sectors, and their respective cultures, are inextricably linked as it is destinations in their entirety that provide the 'stage' for visitor 'experiences', and although both sectors are involved ultimately, the success of destinations depends on the management of the 'public realm'. A well-managed public realm is essential for the underpinning of a successful visitor economy because it is a core contributor to the quality of life for local residents. Middleton *et al.* (2009, p. 485) add that 'the quality of the experience achieved by visitors is at least as much and often more dependent on the role of the public sector as it is on the role of the suppliers of individual components of travel, accommodation and attractions'. They go on to add that 'there is a growing need for better understanding and collaboration between the two sectors at destinations, recognizing their mutual dependence on the visitor economy and the importance of providing quality experiences in competition with other destinations'. Similarly Dwyer *et al.* (2009, p. 63) suggest that the 'challenge for tourism stakeholders in both private and public sectors is to account for these changes proactively to achieve and maintain competitive advantage for their organizations'.

One of the means by which destinations can change their organizational culture is through the quality of the people they employ. Hence, the need for a robust, recognized and widely accepted qualification in destination management, which explores all the dynamic themes and issues referred to in this chapter, is more pressing than ever as a cost-effective vehicle with which DMOs can successfully navigate the troubled waters that lie ahead.

In contrast, from a demand perspective, many destinations have already begun to diversify their core propositions via the development of niche tourism strategies, often with a strong cultural flavour. Work by the likes of Connell (2006) and du Rand and Heath (2006) provides just two examples of how destinations have become creative in their use of health and food tourism experiences, respectively, in developing a new 'sense of purpose' for destinations.

Competition

Competition among destinations continues to grow at an alarming rate in that destinations everywhere are under intense pressure to preserve, and where possible grow, their economic return from tourism in the difficult years that lie ahead. This point was raised recently by Bornhorst *et al.* (2010) who also argued that close substitution among destinations is going to become even more pervasive. Competition is perhaps most prevalent in the context of the Mediterranean, where traditional destinations such as Spain, France, Italy and Greece are now facing stiff competition from non-euro destinations such as Turkey. Much of the competition within Europe and Asia has escalated in response to the dramatic growth over the past decade of the low-cost airlines. This phenomenon has opened up many previously inaccessible destinations to the masses and has contributed significantly to the growth of residential tourism in a number of countries. The surge in ownership of second homes does in fact serve as an indirect competitive threat in that an increasingly significant percentage of the tourist market now no longer needs variety in their choice of destinations as via their purchase of a second home they have expressed their loyalty – albeit to varying degrees – to a particular destination (Fyall *et al.*, 2006). Although low-cost airlines are now prevalent across the world, the extent to which they are able to retain their 'low-cost' focus in the years to come will in part determine the extent to which many destinations will be able to retain their newly found markets or lose them as a direct response to the competitive, financial and low-carbon threat facing many airlines. More than anything else, all destinations need to be even clearer as to how they are positioned in the marketplace, with the need for a very clear proposition more evident than ever before.

Commodification

As competition becomes more intense, the ease with which many destinations are substitutable and struggle to seek differentiation

in crowded markets represents formidable challenges for their future management and marketing. The increase in competition across all regions of the world is such that over periods of time more and more destinations are likely to share similar if not identical 'selling points'. In response, destinations need to work even harder to avoid the ease with which they can be substituted. Whether this is through experiential marketing, the creation of niche market opportunities, the search for new and alternative markets, reduction in emphasis on traditional markets or the adoption of creative forms of brand development is to some extent secondary. What is more pressing is the need for those marketing and managing destinations to fully recognize the perpetual threat of substitution and that the need to develop and maintain a perennial competitive advantage is paramount. The ease with which many destinations can be so easily substituted is in part a consequence of the Internet revolution and the ease with which visitors can compare offers and prices online, and select commodity-driven purchases in a matter of minutes. Substitution can also be attributed, however, to a lack of imagination on the part of those marketing and managing destinations, and the speed with which so many destinations are eager to adopt 'me too' low-risk strategies, most notably in the area of festivals and events. This issue was raised by Fyall and Leask (2007) when comparing London and Edinburgh in the UK. While Edinburgh has built much of its domestic and international appeal on its world-renowned festivals and events, the 'me too' adoption of such a strategy by many cities across the UK alone, most actively perhaps by the likes of Liverpool, Manchester and London, provides a now very real threat to what was for many years a unique selling proposition.

Creativity

One of the primary means by which ease of substitution can be challenged is via the adoption of creative approaches to destination branding. As is evident from the growing corpus of literature in this domain, building and managing destination brands is no easy task, with the limited ability to build destination-wide brands one of the biggest impediments to destination marketers eager to differentiate their propositions. Destinations of all shapes and sizes are influenced by the broader political environment, while most destinations are subject to very tight budgets and a slow decision-making environment which inhibits *creativity* in the marketplace. Many of these issues have begun to be examined in the literature, with studies by Morgan *et al.* (2002, 2003), Caldwell and Freire (2004), Konecnik (2004), Prideaux *et al.* (2004) and White (2004) arguing for a step change in the means by which destinations can more professionally develop, manage and enhance their approaches to the branding of destinations.

More recent work by Hankinson (2007), however, has begun to introduce the benefits of more corporate approaches to branding for destinations. The distinction between corporate and more traditional branding is highlighted in Table 21.1: corporate approaches to branding are driven by the need for single-component, cohesive-stakeholder relationships and lower organizational complexity, they are functional and individual in orientation and tolerate sub-brands; perhaps most significant is the lack of an overt role for government, the reliance on private enterprise and the need for consistent product – or destination – attributes.

Although perhaps a little ambitious for many destinations, the benefits to be accrued from a more corporate approach are such that it is only a matter of time before the march of such approaches to branding on the destination landscape becomes widespread. For this to occur, though, destinations will be required to critically appraise every aspect of their organization and marketing, and the people they employ, as the likely impact on the current status quo and incumbent political situation is likely to be significant. One of the key challenges of such an approach is the extent to which the community view is considered. Edinburgh in the UK represents an excellent example of such an approach, as it reflects a strong community dimension in its endeavours

Table 21.1. Corporate versus place branding (Source: Allen, 2007, p. 61).

Corporate brand	Place brand
Single component product/service	Multiple component product/service
Cohesive stakeholder relationships	Fragmented stakeholder relationships
Lower organizational complexity	Higher organizational complexity
Functional	Experiential/hedonic
Individual orientation	Collective orientation
Sub-brand coherence	Sub-brand inequality and rivalry
Private enterprise	Public–private partnerships
Lack of overt government role	Overt government role
Product attributes consistent	Product attributes subject to seasonality
Flexibility of product offering	Inflexibility of product offering

(see www.edinburgh-inspiringcapital.com). The newly formed DEMA (Destination Edinburgh Marketing Alliance) represents a coordinated, focused and community-sensitive approach to destination branding with the themes of *Visit*, *Invest*, *Live* and *Study* integral to its corporate cohesiveness as a brand. The need to retain the interests of the local community is crucial in that many of them either work in the industry or are crucial to the delivery of the visitor experience. They also represent local taxpayers and are, after all, the determinants of local democracy. Many opportunities exist for those who are marketing and branding destinations, but it is imperative that all have a strong understanding of the process and drivers of image formation, as this will have a direct impact on brand identity, service and stakeholder alignment, and on the overall destination marketing strategy. After all, destination choice is primarily based on destination image and, as such, 'it is increasingly important to create a compelling virtual brand experience outside of the physical space' (Allen, 2007, p. 62).

For an increasing number of destinations, especially those with limited budgets, new, more innovative and creative approaches to branding are required. Television and film-induced tourism are certainly throwing up many opportunities (see Pratt, 2010) and these represent an excellent example of a highly cost-effective approach to the branding and broader communication of a small, resource-tight destination on a global scale.

Communication

The increasing adoption of both online and offline marketing by destinations is testament to their growing confidence and experience in utilizing such tools and the wave of customer-centric demand emerging from the increasing use of Web 2.0, blogs and online social networks (such as Facebook and Twitter and such like) by an increasingly connected and confident market. While a disproportionately high percentage of marketing budgets in many destinations remains spent on traditional print-based media such as brochures and leaflets (see Dore and Crouch, 2003; Foley and Fahy, 2004), destinations are increasingly beginning to adopt more electronic and web-based forms of communication. Although more cost effective, the extent to which such new media are truly effective has yet to be determined, as the metrics by which such media are monitored are not always as robust as would appear to be the case in the first instance. Hence, even if the likes of King (2002) advocate a much greater emphasis on the need to create and communicate holiday experiences that link key brand values and assets with the holiday aspirations and needs of key customers, the extent to which this can be truly accommodated by online forms of communication alone has yet to be determined. He does, however, go on to add the need for a move away from a relatively passive promotional role to include greater intervention, facilitation and direction in the conversion process. The migration to an economy based on 'experience' opens the

door to the establishment of ongoing, direct, two-way and networking consumer communication channels, and for key customer relationship strategies to take place with the eventual development of mass customization marketing and delivery capabilities (Fyall *et al*., 2006).

Channels

One of the primary means by which destinations can seek a competitive edge in the marketplace is the means by which they can proactively engage with distribution *channels* and be innovators, rather than laggards, in the use of destination management systems. Much of the early development and innovation in distribution channels emerged elsewhere across the broader tourism industry, but the relative ease with which the technology is now available provides a significant opportunity for destinations to engage more directly with their visitor base. Many destinations, London being a particularly good example, are already using a whole range of channels to seek greater engagement with and control over their markets around the world. London does, though, have the resources and people at its disposal to take a lead. Much smaller destinations with lesser budgets at their disposal continue to struggle, although one could argue that even without large budgets a simple reorientation of priorities would open up a window of opportunity to engage more fully with the channels now available to them. As first mentioned by Fyall *et al*. (2006) in the initial version of the 15 Cs framework, irrespective of the 'location, scale and type of destination in question, the development of a suitable destination management system – whether unilaterally or with other like-minded destination(s) is a priority that can no longer be ignored'.

Cyberspace

The initial iteration of the 15 C's framework did include *cyberspace* as one of its core components, but the exponential growth of the Internet in recent years opens up even more opportunities for those marketing and managing destinations. The particular use of online social networks such as Facebook and TripAdvisor has transformed the customer-centric orientation of some destinations, whereby the ability to create news, post opinions and influence the travel of others has served to stimulate even the most reactive conservative into action. While it can be argued that the likes of Expedia, Travelocity, Opodo and others continue to represent a threat to destinations in that their expertise and scope of operation bring significant economies of scale that consolidate further their status in the marketplace, the opportunities now evident for destinations themselves to use what can only be described as easy-to-use everyday technology are such that Middleton *et al*. (2009) identify considerable opportunities to be gained from the use of blogs, Twitter, Web 2.0 generally and viral marketing more broadly. More than anything else, the Internet has served as a key driver for customer-centric orientation across most sectors. This is certainly true for destinations that ignore the impact of such a phenomenon at their peril. While the 'complexity of the destination product and the co-ordinating role practised by destination marketers clearly makes the development, implementation and management of destination-wide websites particularly challenging' (Fyall *et al*., 2006, p. 82), the time has arrived where such activity ought now to be as common as developing destination brochures and the selling of postcards!

Consolidation

Middleton *et al*. (2009) highlight the very pressing problem facing all components of the wider tourism industry, that of globalization and the increasing *consolidation* and polarization that is evident in the industry. They go on to add that the process of polarization is 'creating a small number of very large, international and often globally branded corporations while at the same time

very small or micro-enterprises continue to dominate numerically the experiences most customers will get at every destination'; the reality of such a trend is a growing supply-side division between 'company-centric, top down, efficient but inevitably bland big international corporations' versus 'small and micro-businesses at destinations' (Middleton *et al.*, 2009, p. 482) where the opportunities mentioned in many of the preceding elements of the 15 C framework are actually beyond the reach and budget of smaller destinations. This suggests that the future marketing and management of destinations is to be determined by scale, with the development of destination 'resorts' by consolidated giant corporations and their consequent benefits of technology, budgets and reach into the domains of the private sector, overpowering the ability of smaller, more traditional, community-based and publicly managed destinations to succeed. Indeed, according to Wahab and Cooper (2001) it is the development of new integrated corporate structures as a result of alliances, mergers and acquisitions that is likely to cause the greatest structural impact on the tourism industry. Indeed, for the good majority of destinations around the world, consolidation and polarization throw up a number of quite considerable challenges in their struggle to overcome the balance of power which, although not always the intention, is in fact often the outcome of such developments.

Collaboration

One means by which the above dominance of the corporates can be confronted is via *collaboration*, either within or among destinations. The importance attached to collaboration in the context of destinations is not new, as work by Palmer and Bejou (1995), Buhalis and Cooper (1998), Telfer (2001) and Prideaux and Cooper (2002) testifies. However, many of the aforementioned components of the 15 Cs framework serve as the catalyst for collaboration as a means by which destinations are able to compete effectively by bringing together all the relevant individual partners to offer a more effective and integrated

marketing mix and system of delivery. Referred to by King (2002) as the 'network economy' and by Wang (2008) as the 'value network', in that DMOs will probably enter into strategic relationships with industry partners who can together provide a seamless experience for the customer, the move towards the need for greater collaboration within and among destinations is such that Fyall and Garrod (2005) suggest that, rather than being viewed as a luxury, collaboration is a prerequisite for destinations to survive in the face of considerable competition and environmental challenges – irrespective of whether one is referring to intra-destination networks (von Friedrichs Grängsjö, 2003), relational brands (Hankinson, 2004) or forms of collaboration governance (Palmer and Bejou, 1995; Palmer, 1998). Recent work by Wang (2008) reinforces this line, but he does at the same time highlight the fact that the broader concept of collaboration in the context of destinations can be challenged on two fronts which can hinder the creation of the necessary inter-community cooperation and collaboration necessary for the successful marketing and management of destinations. Wang (2008, p. 192) suggests first that 'the destination marketing task is characterized by the fragmented nature of the tourism stakeholders who are responsible for components of the total offer' and second, that 'no single agency can control and deliver a rich combination of tourism product and service portfolio at a destination'.

The emergent nature of collaboration per se and the importance attached to contextual factors, as highlighted by Fyall *et al.* (2010), make comparison and the learning from 'good practice' very difficult, as even though collaboration and cooperation 'may improve a DMO's marketing skills and operations' they may also 'result in particular learning problems, such as uncontrolled information disclosure' (Harrill, 2009, p. 452). There is also the worry of individual components of the destination product 'free riding', a theme that Wang (2008, p. 207) argues 'has bedevilled destination marketing for many years'. He continues, however, by being explicit in that 'interdependence and the smallness of many tourist operators force united action,

particularly given the costs and difficulties of penetrating distant markets' (Wang, 2008, p. 207). In short, destinations across the world need to do everything they can to actively engage all destination stakeholders in destination marketing and management programmes while reducing at every occasion the opportunity for individual stakeholders, most notably corporate-branded hotels or large corporately owned attractions, to free ride. More than any other form of collaboration, though, that which is most pressing in all destinations is the need for greater 'connectivity', where special focus should be given to 'improving the connections between all the levels, providing greater clarity about individual roles and responsibilities; and most important of all – using modern IT solutions to ensure that the information flows between organisations, and from the industry to the consumer, are the very best they can be' (Hemphill, 2009, p. 9).

Summary and Conclusions

There is little doubt that all of the individual components of the 15 Cs framework offer considerable opportunity for future research and academic scrutiny. However, as with the first iteration of the framework, *collaboration* remains the 'glue' that bonds all other components together. This will especially be so in the difficult years to come for all those economies affected so heavily by the continuing world economic crisis. Forecasts for recovery vary significantly, but there is little doubt that the next few years are going to remain challenging. In a recent article in *The Guardian* newspaper in the UK, a reader commented on the letters' page (albeit in a political rather than a tourism context) that 'to "compete to survive" is a simple, robust, and seductive concept, but it exacerbates problems in the long term'. The letter continued by stating that 'to "cooperate to survive" is a more difficult concept, and obviously much harder work for politicians, but it produces more sustainable solutions' (*The Guardian*, 2010). This is exactly the situation facing destinations across the world in that individual

competition within and among destinations, although offering short-term competitive benefits, will seriously hinder their longer term development and sustainability as the destination in its broadest sense will be lost as a result of short-term, corporate and finance driven incentives. Irrespective of how one looks at destinations, collaboration really is a natural response to their future development, marketing and management (Wang, 2008), and really does represent the *sine qua non* for successful destination marketing in the future (Fyall *et al*. 2006). Over time, both practitioners and academics have come to appreciate that there are very few, if any, alternatives to greater collaboration within and among destinations. The more troublesome question is a case of how best can forms of collaboration: effectively cope with the *complexity* of destinations; enable destinations to regain *control* of their product destiny; accommodate the needs of the local *community*, and also accommodate continuous *change* and *crises*, and *complacency* – something that is inherent in the marketing and management of so many destinations. In addition, various forms of collaboration can: contribute greatly in attracting new and repeat *customers* as they help to encourage the growth of *co-creation* with visitors in the overall enhancement of the *visitor experience*; encourage a change of *culture*, most notably between public and private sector stakeholders; and combat individual *competitive* strategies by bringing together all key destination stakeholders with a unified message and vision for the future, in part by encouraging former *commodified* destinations to seek new routes to market and more *creative* approaches to branding, as well as by the use of a greater variety of *communication* techniques and *channels* of distribution. Finally collaboration is omnipresent in the use by destinations of *cyberspace*, and it is also one very successful means of challenging and holding back the competitive threat of corporations that (via globalization) have come together as a consequence of merger and acquisition activity and are testament to the trend of concentration and *consolidation* across the broader tourism industry.

   To conclude, if this revised framework is to have any impact at all, researchers

interested in the future marketing and management of destinations need to scrutinize each component more thoroughly and gauge the extent to which each can be managed more effectively in the face of incredible environmental change and economic turbulence. At the beginning of this chapter, Harrill (2009) was quoted as having commented that progress has been slow within the academic community in demonstrating how the various characteristics and issues facing tourism destinations come together. Similarly, the means by which practitioners have been able to migrate away from piecemeal approaches to marketing and managing destinations and adopting more effective collaborative strategies has been open to question. Destinations are challenging to market and manage, of that there is little doubt – but it is these challenges that serve as the necessary catalysts for both the practitioner and academic communities to move the agenda forward, identify the most appropriate strategies for the future marketing and management of destinations and make them worthy of being the 'primary unit' of study and management action in tourism.

References

Allen, G. (2007) Place branding: new tools for economic development. *Design Management Review* 18(2), 60–68.

Archer, B. (1996) Sustainable tourism: do economists really care? *Progress in Tourism and Hospitality Research* 2, 217–222.

Ashworth, G. and Goodhall, B. (1990) *Marketing Tourism Places*. Routledge, New York.

Baloglu, S. and Brinberg, D. (1997) Affective images of tourism destinations. *Journal of Travel Research* 35(4), 11–15.

Baral, A., Baral, S. and Morgan, N. (2004) Marketing Nepal in an uncertain climate: confronting perceptions of risk and insecurity. *Journal of Vacation Marketing* 10, 186–194.

Beirman, D. (2002) Marketing of tourism destinations during a period of prolonged crisis: Israel and the Middle East. *Journal of Vacation Marketing* 8, 167–176.

Beirman, D. (2003) *Restoring Tourism Destinations in Crisis: A Strategic Marketing Approach*. CAB International, Wallingford, UK.

Benckendorff, P., Moscardo, G. and Pendergast, D. (2009) *Tourism and Generation Y*. CAB International, Wallingford, UK.

Bornhorst, T., Ritchie, J.R.B. and Sheehan, L. (2010) Determinants of tourism success for DMOs and destinations: an empirical examination of stakeholders' perspectives. *Tourism Management* 31, 572–589.

Buhalis, D. and Cooper, C. (1998) Competition or co-operation: the needs of small and medium sized tourism enterprises at a destination level. In: Laws, E., Faulkner, B. and Moscardo, G. (eds) *Embracing and Managing Change in Tourism*. Routledge, London, pp. 324–346.

Butler, R. (1980) The concept of a tourist area cycle of evolution: implications for management of resources. *Canadian Geographer* 24, 5–12.

Caldwell, N. and Freire, J.R. (2004) The difference between branding a country, a region and a city: applying the brand box model. *Journal of Brand Management* 12, 50–61.

Carlsen, J.C. and Hughes, M. (2007) Tourism market recovery in the Maldives after the 2004 Indian Ocean tsunami. *Journal of Travel and Tourism Marketing* 23(2–4), 139–149.

Chon, K. (1990) The role of destination image in tourism: a review and discussion. *Tourist Review* 45(2), 2–9.

Chon, K. (1991) Tourism destination image: marketing implications. *Tourism Management* 12, 68–72.

Connell, J. (2006) Medical tourism: sea, sun, sand and … surgery. *Tourism Management* 27, 1093–1100.

Decrop, A. (2010) The formation of destination choice sets: an interpretive approach. In: Kozak, M., Gnoth, J. and Andreu, L. (eds) *Advances in Tourism Destination Marketing: Managing Networks*. Routledge, Taylor and Francis Group, Abingdon, UK, pp. 183–194.

Dore, L. and Crouch, G.I. (2003) Promoting destinations: an exploratory study of publicity programmes used by national tourism organisations. *Journal of Vacation Marketing* 9, 137–151.

Dredge, D. (2006) Policy networks and the local organisation of tourism. *Tourism Management* 27, 269–280.

du Rand, G.E. and Heath, E. (2006) Towards a framework for food tourism as an element of destination marketing. *Current Issues in Tourism* 9, 206–234.

Dwyer, L., Edwards, D., Mistilis, N., Roman, C. and Scott, N. (2009) Destination and enterprise manage-
ment for a tourism future. *Tourism Management* 30, 63–74.

ETC (2009) *European Tourism Trends in 2009: Trends and Prospects*. ETC Market Intelligence, Brussels,
Belgium.

Faulkner, B. and Tideswell, C. (1997) A framework for monitoring community impacts of tourism. *Journal of
Sustainable Tourism* 5, 3–28.

Fletcher, J. and Morakabati, M. (2008) Tourism activity, terrorism and political instability within the Com-
monwealth: the case of Fiji and Kenya. *International Journal of Tourism Research* 10, 537–556.

Foley, A. and Fahy, J. (2004) Incongruity between expression and experience: the role of imagery in sup-
porting the positioning of a tourism destination brand. *Journal of Brand Management* 11, 209–217.

Fyall, A. and Garrod, B. (2005) *Tourism Marketing: A Collaborative Approach*. Channel View Publications,
Clevedon, UK.

Fyall, A. and Leask, A. (2007) Destination marketing: future issues – strategic challenges. *Tourism and
Hospitality Research* 7, 50–63.

Fyall, A., Garrod, B. and Tosun, C. (2006) Destination marketing: a framework for future research. In: Kozak,
M. and Andreu, L. (eds) *Progress in Tourism Marketing*. Elsevier, Oxford, UK, pp. 75–86.

Fyall, A., Kozak, M., Andreu, L., Gnoth, J. and Sibila Lebe, S. (2009) *Marketing Innovations for Sustainable
Destinations*. Goodfellow Publishers, Oxford, UK.

Fyall, A., Fletcher, J. and Spyriadis, T. (2010) Diversity, devolution and disorder: the management of tourism
destinations. In: Kozak, M., Gnoth, J. and L. Andreu (eds) *Advances in Tourism Destination Marketing:
Managing Networks*. Routledge, Taylor and Francis Group, Abingdon, UK, pp.15–26.

Garrod, G. and Willis, K.G. (1992) The amenity value of woodland in Great Britain: a comparison of eco-
nomic estimates. *Environmental and Resource Economics* 2, 415–434.

Gilbert, D. (1990) Strategic marketing planning for national tourism. *The Tourist Review* 45(1), 18–27.

Glover, P. and Prideaux, B. (2009) Implications of population ageing for the development of tourism prod-
ucts and destinations. *Journal of Vacation Marketing* 15, 25–37.

Goodhall, B. (1988) How tourists choose their holidays: an analytical framework. In: Goodhall, B. and Ash-
worth, G.J. (eds) *Marketing in the Tourism Industry: The Promotion of Destination Regions*. Croom
Helm, London, pp. 1–17.

Goodhall, B. (1991) Understanding holiday choice. In: Cooper, C.P. (ed.) *Progress in Tourism, Recreation
and Hospitality Management: 3*. Belhaven Press, London, pp. 58–77.

Gretzel, U., Fesenmaier, D.R., Formica, S. and O'Leary, J.T. (2006) Searching for the future: challenges
faced by destination marketing organizations. *Journal of Travel Research* 45, 116–126.

Gunn, C. (1972) *Vacationscape*. Bureau of Business Research, University of Texas, Austin, Texas.

Hankinson, G. (2004) Relational network brands: towards a conceptual model of place brands. *Journal of
Vacation Marketing* 10, 109–121.

Hankinson, G. (2007) The management of destination brands: five guiding principles based on recent
developments in corporate branding theory. *Brand Management,* 14(3), 240-254.

Harrill, R. (2009) Destination management: new challenges, new needs. In: Jamal, T. and Robinson, M.
(eds) *The Sage Handbook of Tourism Studies*. Sage, London, pp. 448–463.

Heath, E. and Wall, G. (1992) *Marketing Tourism Destinations: A Strategic Planning Approach*. Wiley, New York.

Hemphill, P. (2009) The future of destination management: changes, challenges and opportunities. *Tourism*
142, 8–9.

Huybers, T. (2003) Domestic tourism destination choices: a choice modelling analysis. *International Journal
of Tourism Research* 5, 445–459.

Inskeep, E. (1991) *Tourism Planning: An Integrated and Sustainable Approach*. Van Nostrand Reinhold,
New York.

Inskeep, E. (1994) *National and Regional Tourism Planning*. Routledge, London.

Jamal, T. and Jamrozy, U. (2006) Collaborative networks and partnerships for integrated destination man-
agement. In: Buhalis, D. and Costa, C. (eds) *Tourism Management Dynamics: Trends, Management
and Tools*. Elsevier Butterworth-Heinemann, Oxford, UK, pp.164–172.

Jamal, T., Borges, M. and Figuerido, R. (2004) Systems-based modelling for participatory tourism planning
and destination management. *Tourism Analysis* 9, 77–90.

King, J. (2002) Destination marketing organisations: connecting the experience rather than promoting the
place. *Journal of Vacation Marketing* 8, 105–108.

Konecnik, M. (2004) Evaluating Slovenia's image as a tourism destination: a self-analysis process towards
building a destination tool. *Journal of Brand Management* 11, 307–316.

Kozak, M., Gnoth, J. and Andreu, L.A. (2010) *Advances in Tourism Destination Marketing: Managing Networks*. Routledge, Taylor and Francis Group, Abingdon, UK.

Laarman, J.G. and Gregersen, H.M. (1996) Pricing policy in nature-based tourism. *Tourism Management* 17, 247–254.

Ladkin, A., Fyall, A., Fletcher, J. and Shipway, R. (2006) London tourism: devolution, disaster and diversification. In: Whitelaw, P.A. and O'Mahony, B.G. (eds) *CAUTHE 2006: To the City and Beyond*. Victoria University, School of Hospitality, Tourism and Marketing, Footscray, Victoria, pp. 584–594.

Lam, T. and Hsu, C.H.C. (2006) Predicting behavioral intention of choosing a travel destination. *Tourism Management* 27, 589–599.

Lee, G., Morrison, A.M. and O'Leary, J.T. (2006) The economic value portfolio matrix: a target market selection tool for destination marketing organizations. *Tourism Management* 27, 576–588.

Leiper, N. (1979) The framework of tourism. *Annals of Tourism Research* 6, 390–407.

Leiper, N. (1990) *Tourism Systems*. Massey University Press, Palmerston North, New Zealand.

Leiper, N. (1995) *Tourism Management*. TAFE Publications, Collingwood, Victoria, Australia.

Li, X. and Petrick, J.F. (2008) Tourism marketing in an era of paradigm shift. *Journal of Travel Research* 46, 235–244.

Middleton, V.T.C., Fyall, A., Morgan, M. and Ranchhod, A. (2009) *Marketing in Travel and Tourism*, 4th edn. Elsevier Butterworth-Heinemann, Oxford, UK.

Morgan, M., Elbe, J. and de Esteban Curiel, J. (2009) Has the experience economy arrived? The views of destination managers in three visitor-dependent areas. *International Journal of Tourism Research* 11, 201–216.

Morgan, N.J., Pritchard, A. and Piggott, R. (2002) New Zealand, 100% pure: the creation of a powerful niche destination brand. *Journal of Brand Management* 9, 335–354.

Morgan, N.J., Pritchard, A. and Piggott, R. (2003) Destination branding and the role of stakeholders: the case of New Zealand. *Journal of Vacation Marketing* 9, 285–299.

Morrison, A.M., Bruen, S.M. and Anderson, D.J. (1998) Convention and visitor bureaus in the USA: a profile of bureaus, bureau executives, and budgets. *Journal of Travel and Tourism Marketing* 7(1), 1–19.

Novelli, M. (2005) *Niche Tourism: Contemporary Issues, Trends and Cases*. Elsevier Butterworth-Heinemann, Oxford, UK.

Palmer, A. (1998) Evaluating the governance style of marketing groups. *Annals of Tourism Research* 25, 185–201.

Palmer, A. and Bejou, D. (1995) Tourism destination marketing alliances. *Annals of Tourism Research* 22, 616–629.

Prideaux, B. and Cooper, C. (2002) Marketing and destination growth: a symbiotic relationship or simple coincidence? *Journal of Vacation Marketing* 9, 35–51.

Prideaux, B., Agrusa, J., Donlon, J. and Curran, C. (2004) Exotic or erotic – contrasting images for defining destinations. *Asia Pacific Journal of Tourism Research* 9, 5–17.

Pigram, J. (1996) Best practice environmental management and the tourism industry. *Progress in Tourism and Hospitality Research* 2, 261–271.

Pike, S. (2005) Tourism destination branding complexity. *Journal of Product and Brand Management* 14, 258–259.

Pine, B.J. and Gilmore, J.H. (1999) *The Experience Economy: Work is Theatre and Every Business a Stage*. Harvard Business School Press, Boston, Massachusetts.

Pratt, S. (2010) A movie map conversion study: a case study of pride and prejudice. In: Kozak, M., Gnoth, J. and Andreu, L. (eds) *Advances in Tourism Destination Marketing: Managing Networks*. Routledge, Taylor and Francis Group, Abingdon, UK, pp. 59–73.

Qureshi, H. (2010) Boom in long-haul holidays as Brits look abroad: Britons ditch the 'staycation' and head outside the eurozone to Egypt, Turkey and Latin America. *The Guardian*, Friday 26 February 2010. Available at: http://www.guardian.co.uk/business/2010/feb/26/british-summer-holidays-longhaul-boom (accessed 30 March 2011).

Reichel, A., Fuchs, G. and Uriely, N. (2010) Risk perceptions and risk reduction strategies as determinants of destination choice. In: Kozak, M., Gnoth, J. and Andreu, L. (eds) *Advances in Tourism Destination Marketing: Managing Networks*. Routledge, Taylor and Francis Group, Abingdon, UK, pp. 195–206.

Ritchie, B.W. (2004) Chaos, crisis and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25, 669–683.

Ritchie, J.R.B. and Crouch, G.I. (2003) *The Competitive Destination: A Sustainable Tourism Perspective.* CAB International, Wallingford, UK.

Ryan, C. (1997) *The Tourist Experience: A New Introduction.* Cassell, London.

Scott, N., Parfitt, N. and Laws, E. (2000) Destination management: co-operative marketing, a case study of Port Douglas Brand. In: B. Faulkner, Moscardo, G. and Laws, E. (eds) *Tourism in the 21st Century*. Continuum, London, pp. 198–221.

Seaton, A.V. (1997) Destination marketing. In: Seaton, A.V. and Bennett, M.M. (eds) *Marketing Tourism Products: Concepts, Issues, Cases*. International Thomson Business Press, London, pp. 350–376.

Shaw, G. and Williams, A. (eds) (1997) *The Rise and Fall of British Coastal Resorts: Cultural and Economic Perspectives*. Mansell, London.

Sheehan, L.R. and Ritchie, J.R.B. (2005) Destination stakeholders exploring identity and salience. *Annals of Tourism Research* 32, 711–734.

Telfer, D. (2001) Strategic alliances along the Niagara Wine Route. *Tourism Management* 22, 21–30.

The Guardian (2010) Letters and emails: A grand coalition is not the answer. *The Guardian*, Monday 4 January 2010. Available at: http://www.guardian.co.uk/politics/2010/jan/04/brown-election-hung-parliament (accessed 30 March 2011).

von Friedrichs Grängsjö, Y. (2003) Destination networking: co-opetition in peripheral surroundings. *International Journal of Physical Distribution and Logistics Management* 33, 427–448.

Wahab, S. and Cooper, C. (eds) (2001) *Tourism in the Age of Globalisation*. Routledge, London/New York.

Wang, Y. (2008) Collaborative destination marketing: roles and strategies of convention and visitors bureaus. *Journal of Vacation Marketing* 14, 191–209.

Wang, Y. and Fesenmaier, D.R. (2007) Collaborative destination marketing: a case study of Elkhart county, Indiana. *Tourism Management* 28, 863–875.

Wang, Y. and Xiang, Z. (2007) Toward a theoretical framework of collaborative destination marketing. *Journal of Travel Research* 46, 75–85.

White, C.J. (2004) Destination image: to see or not to see. *International Journal of Contemporary Hospitality Management* 16, 309–314.

Williams, A. (2006) Tourism and hospitality marketing: fantasy, feeling and fun. *International Journal of Contemporary Hospitality Management* 18, 482–495.

This page intentionally left blank

Index

Page numbers in **bold** type refer to figures and tables