

ISSN: 0972-7310

Journal of Tourism

An International Research Journal on Travel and Tourism

Vol XIV, No. 1, 2013



Centre for Mountain Tourism and Hospitality Studies (CMTHS)

HNB Garhwal Central University, Srinagar Garhwal, India

Journal of Tourism

Vol. XIV, No 1, 2013 ISSN No. 0972-7310

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Frequency and Subscriptions: Journal of Tourism is publishe biannual.

Annual Subscription rates: India-Institutional: INR.2000, Individual: INR. 1000, Abroad- Institutional: US\$ 75, Individual: US\$ 40, Demand Draft or Cheque should be in favour of Finance officer, HNB Garhwal Central University, Srinagar Garhwal and be payable on SBI Srinagar Garhwal (3181) India.

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Preface

This special issue of the Journal of Tourism has brought together the foremost thinkers on Innovation and Competitiveness in a hospitality and tourism context. Its purpose is to build a better understanding of the creative processes and innovative business models that can enhance competitiveness in our fast-changing environment. The ability to make intelligent investment decisions will have a profound impact on every organization's ability to create and sustain competitive advantage in a marketplace. In these chapters, the reader will find emerging models managers can use to not only understand where competitive pressures can come from but avoid pitfalls in reacting to them. In addition, readers will glean from these chapters insights into the creative entrepreneurial processes as well as factors that make business owners resistant to change. The authors of these chapters have provided clear explanation of several competing models of innovation and competitiveness. Moreover they have attempted to validate them as to their abilities to model reality. At this point, owner/operators of tourism enterprises would be wise to inform themselves of the competing streams of thought before setting upon a path employing one model. Innovation and competitiveness is a rapidly developing field of study. However, there is no agreement that one model fits all circumstances.

It is our hope that this issue of Journal will also serve to stimulate interest among academics as to the importance and potential of the topic in both research and teaching. The future of hospitality and tourism management as a university field of study rests of the continued growth and sustainability of our sector, and the ability of our programs to prepare students for the challenges and opportunities they will encounter in it. This issue of Journal clearly demonstrates that research in innovation and competitiveness can take the form of quantitative research involving primary and secondary sources of data to qualitative case bound assessments that each uniquely contributes to theory development. In addition, the book provides a resource of teaching materials faculty can draw upon to help our students recognize and respond to the challenges and opportunities they will face as future managers.

This issue of Journal is an outcome of collaboration of Prof. John C. Crotts, College of Charleston, USA with Dr. S.K. Gupta, Director and Dean of the Centre for Mountain Tourism and Hospitality Studies of H.N.B. Garhwal University located in Uttarakhand, India and Prof. S.C. Bagri, Vice Chancellor, Himgiri Zee University, Dehradun, Uttarakhand. In the spring of 2013, the Centre for Mountain Tourism and Hospitality Studies, H.N.B.G. University hosted Prof. John C. Crotts as a Fulbright Senior Scholar. The purpose of this visit was to assist the program in curriculum development as well as spur faculty research in areas that are under-researched and capable unique advantages for the region the university serves. We would like to thank all the contributors and the publication team.

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Journal of Tourism

Vol. XIV No. 1

ISSN No. 0972-7310

2013

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Innovation and Competitiveness: What we can learn from Clayton Christensen

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Abstract: *This paper applies Christensen's models of innovation as a means to illustrate the competitive forces that shape the hospitality and tourism industry as well as the broader economy. Drawing from both historic and present-day examples, both disruptive and transformational innovations are described and illustrated in an effort to underscore how business can compete and why remaining dominant in a market is so difficult. It is our hope that we not only provide a useful framework for understanding the competitive environment in which we work, but to stimulate a dialog among academics as to the need to address models of competitive strategy in our curriculums.*

Keywords: Disruptive Innovation, Transformational Innovation, Clayton Christensen

Introduction

Innovation laid the foundation for the modern day hospitality and tourism industry. Consider for a moment Pan American Airlines. Founded in 1927, it is credited with ushering in luxury air travel, prior to the widespread investment in airport passenger terminals, through the use of seaplanes. Consider too Ellsworth Statler who lead the hotel industry in the modern age with his innovations in hotel engineering and design where a clean room with a private bath could be sold at a profit for a low US\$1.50 a day. Or then again, consider George Augustine Escoffer and César Ritz who in the late 1800s revolutionized the culinary industry by simplifying menus/recipes and organizing the staff into kitchen brigades that increased speed and efficiencies. Their innovations transformed the restaurant industry from one designed to serve the few at one-time to one that today can serve the many (Foucar-Szocki and Cereola (2007).

Today, innovation is equally present where hospitality and tourism enterprises are continually experimenting with new products, technologies, and distribution channels in an effort to improve competitiveness. Competition is fierce and traditional wisdom tells us that firms who remain aloof to the need for continuous improvement fail to remain competitive. What the literature tells us is that innovation can come in many forms, from small incremental changes to the product and production processes to major game-changing breakthroughs of innovations. Ultimately, success or failure in innovation has a direct impact any organizations' financial performance.

Given the importance of innovation to competitiveness, it is surprising how few hospitality and tourism researchers have published on the topic. In a keyword search of EBSCO's hospitality and tourism's database of 605,450 refereed articles (2003-2012), only 53 (.0008%) included the words *innovation* and *competitiveness* in their abstracts. Even more surprising is the results for the term *business model innovation* - a term that provides a theoretical basis for most research in the broader literature yielding only four (4) articles. The purpose of this paper is to address this void by summarizing one set of emerging theories and offering examples to illustrate their ability to model reality. Though the examples provided may seem at times dated, the theories are not. The astute observer of our industry will no doubt see countless examples of innovation ranging from initiatives of single enterprises to global corporate strategies designed to sustain or increase competitiveness.

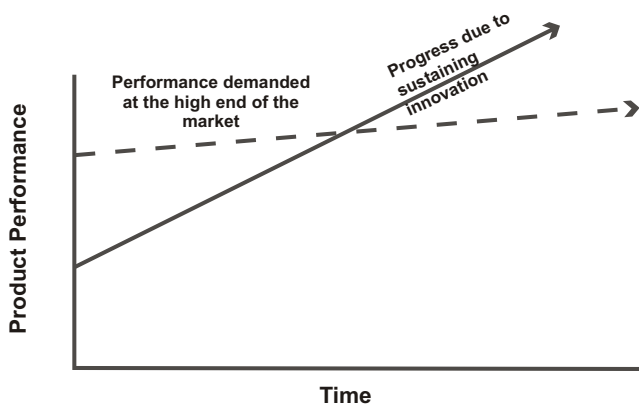
It is our hope that such a discussion will not only provide a useful framework for future research, but invite a dialog among academics as to the need to address the topic in our undergraduate and graduate curriculums. It is our belief that building an understanding of creative and innovative business models that can enhance competitiveness, will be of value to our graduates as they attempt to find opportunities in and cope with the increasingly fast-changing competitive environment they will inherit.

Disruptive Innovation

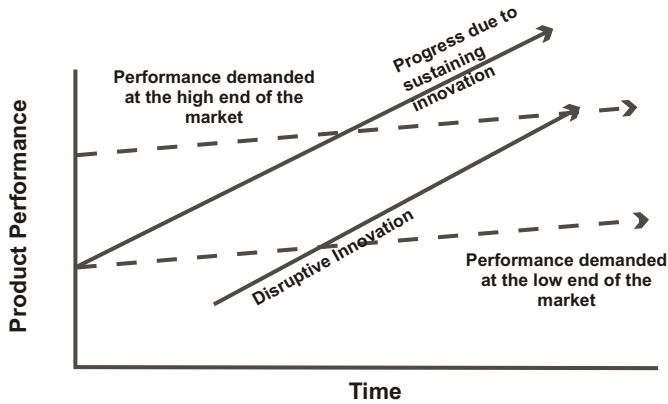
Much of the way the literature frames innovation -- or more precisely business model innovation -- is derived from the work of Clayton Christensen. In his first book, the *Innovators Dilemma* (1997), he framed two forms of innovations. The first is innovation that transforms a product or service that historically was either so expensive or complicated to use that only people with a lot of money or skill had access to owning and using it. Consider as an illustration the early days of the resort industry, that served only the wealthiest members of society who had both the time

and financial resources to pursue their leisure. An innovation, such as the launch in the 1960's of the budget hotel chain of Holiday Inn, Christensen would consider a disruptive innovation in that it transforms the product or service into something that is far more affordable and simple that a much larger population could use it. Holiday Inn should not be considered a breakthrough in innovation as much a change in the business model, given it is based upon simplicity and affordability. Disruptive innovation explains “a process by which a product or service initially begins as a simple application and then moves up market, eventually displacing its competitors” (Christensen, 2012, p. 7).

The following two exhibits explain Christensen's (2007) disruptive innovation process. Exhibit 1 illustrates a competitive market where a group of service providers serve a market that is willing to purchase a product or service at a level that is profitable. Keeping an eye on these customers ever increasing expectations, these firms innovative in order to remain competitive with one another.



With such a myopic focus on their current customers, exhibit 2 depicts a time when a start-up competitor will enter the market with a cheaper but inherently inferior product or service. The existing firms may not even contest their entrance into the market given their focus is on the lower less profitable end of the market and no migration of their current customers to it. However, once established these firms begin the process of innovating as well. The lesson to be learned is that companies tend to innovate faster than their customers need them to be, eventually producing a service that is too expensive or too good relative to the alternatives. At that point, the low cost option having risen to the level of being good enough, creates an exodus of customers to it that the up market providers are either unwilling or unable to compete with using their current business model.



Consider as another example the plight of major airline carriers since the deregulation of the airline industry in the late 1970's. The major carriers' success in eliminating governmental regulations on what fares they could charge and what markets they could expand to inadvertently opened the door for disruptive start-up low-cost carriers. The strategic mistake these carriers collectively made was assuming that new competitors would have to adopt the high-cost low-margin business model of the airlines of the day, creating a barrier to direct competition. New airlines like Southwest Airline and JetBlue entered into service providing limited no-frill service serving limited city-pairs that the major airlines chose not to contest. Their product and level of service would never rival the major carriers of the day, but the point is they did not have to. Essentially, after achieving initial success serving small markets with low margins, they began the long climb in continuous improvement becoming good enough for more and more customers. At that point, their affordability combined with an efficient and friendly service created a value proposition that most travelers found appealing that the major carriers could not easily match. Again, the disruptive innovation of these no-frill start-ups did not involve any ground-breaking technology or processes, it was simply designing and executing a business model that provided a service that was good enough at a great value. Again, the lesson to be learned from the eventual fate of the major carriers is that companies tend to innovate faster than their customers need them to be, inviting competition that will enter in from the lower end of the market but overtime moves upmarket. Hence, the dilemma all firms face in remaining competitive is how to prioritize their investment options in innovation.

Arguably, a successful strategy that balances the need to invest in innovation can be gleaned from Apple's strategy with its iPhone. Though Apple has historically been able to garner price premiums from its loyal consumers, the company leaves little room for the competition from the

lower end of the market. The annual roll out of the next version of the iPhone is synchronized with a drop in price of the prior year's model at a price few disruptive competitors can match allowing Apple to remain competitive across the high and low end of the smart phone market. Consider too, the continuous roll out of the major hotel chain's new brands. Often these hotel brands employ simpler less costly business models and are often approved to be offered in markets where their up market brands also operate. This strategy should be considered from two perspectives. First, it can be seen as an intentional disruptive strategy employed by a chain to grow market share and profits by taking business from the competition. It can also be seen as a defensive *me-too* strategy forced on a firm by its disruptive competition in order to preserve its market share. Caught in the middle of this strategy is the franchise owner who bears the risk of the investment in building and operating the facility.



Transformational Innovation

The other form disruptive innovation can take is very rare but more transformational involves creating a totally new product or service that customers will want before they know they want it. In this form we today often look at the entrepreneur who employ technology such as the late Steve Jobs (co-founder of Apple), Peter Thiel (PayPal), Jeff Bezos (Amazon.com), Pierre Omidyar (eBay), Nicholas Zennstrom (Skype), and Jack Dorsey (Twitter, Square). What is common in each of these innovators' stories is that unlike what marketers would have us believe, they did not go around asking customers what they wanted and building a product or service to give it to them. Instead, they built their business around a simple concept that Christensen (2012) calls the *jobs-to-be done* principle. The basic idea is that people do not go around looking for products and services to buy. Instead, they take life as it comes. When they encounter a problem or a need, they look for a solution. It is at that point, they will buy a product or service that can help them. The key insight to be learned here is that it is the *job-to-be-done* that should be the unit of analysis, and not the *customer* or the *product*.

To illustrate the importance of focusing on the *job-to-be-done*, again let's consider the successes of Apple's iPhone and iPad. Prior to their

launch, access to the internet had to be channeled through PCs and laptops. Steve Jobs saw the need many customers wanted done was to have remote access to the internet for a variety of applications anytime and any-place and created a means to do just that. No doubt the pioneers of online travel agencies (OTAs) employed the *job-to-be-done* principle which quickly reinvented the way travelers connect to and do business with airlines and hotels.

Where do innovators come up with such ground breaking ideas? According to Dyer, Gregersen and Christensen (2009), they employ a few basic skills in their creative processes that we can all develop in ourselves. The first is *associating*, or developing the ability to successfully connect unrelated questions, problems, or ideas from different fields and bring them to bear on a *job-to-be-done*. Pierre Omidyar launched eBay in 1996 after linking three unconnected dots: 1) an interest in improving the efficiencies of markets, 2) his fiancée desire to locate hard to find collectable Pez dispensers, and 3) the ineffectiveness of classified ads in locating such items.

The second basic skill involves the power of *asking provocative questions*. According to Dyer, et. al. (2009), most managers are focused on how to make the status quo existing processes - better or more efficient. Innovative entrepreneurs are more focused on challenging assumptions by asking *why*, *why not*, and *what if* kinds of questions. With such thinking one can imagine completely different alternatives that can lead to truly original insights. As previously described in the opening paragraph, someone at Pan American Airlines apparently used this line of thinking in expanding its airline services in advance of airport facilities with its fleet of seaplanes. Ellsworth Staler and George Augustine Escoffer did the same in re-inventing their respective industries.

Observing and *experimenting* are also skills employed by successful innovators. Starbucks founder Howard Shultz credits his travels in Italy visiting café and espresso bars as the seeds for his highly successful restaurant chain. By intentionally looking for small behavioral details of customers and engaging in experimentation, Shultz and others have found innovations in one locale that could be leveraged in other settings.

The last discovery skill is *networking* which means devoting time and effort in finding and testing ideas through a network of diverse people in order to gain a radically new perspective on a problem. Unlike most of us who network to assess resources or sell our offerings to others, innovative entrepreneurs go out of their way to meet and interact with people with different ideas or perspectives. Annual conferences such as the Aspen Ideas Festival and the Technology, Entertainment and Design Conference

(TED), brings together artists, entrepreneurs, academics, and scientists for purposes of sharing their ideas and passions. David Neeleman of JetBlue Airlines credits such conferences as the source of inspiration for adding satellite TV at every seat and at-home reservationists to his company. Firms like IDEO also exist that focus their diverse teams of consultants to solve their clients jobs to be done including Marriott in the redesign of its Courtyard Inns. Insights to solve the most perplexing problems often come from outside the industry or field in which it will be applied.

Consider as a further illustration the apparent transformation taking place in higher education today. In an effort to remain competitive in their competitive sets in attracting and retaining a sufficient number of qualified students, the majority of universities make major annual investments in new classrooms, apartments, fitness facilities, etc. These investments come at a cost that must be borne by students in increased tuitions and fees. In the past decade, tuition at US universities have increased by twice the rate of inflation, or 8 percent annually. This myopic focus on their direct competitors opened the door decades ago from the on-line for-profit universities such as Phoenix and Walton universities who offer a more assessable means to earn a degree at a lower cost. Though it can be argued these online degrees lack the quality offered by the traditional bricks-and-mortar universities, they have improved overtime creating disruptive competitive pressures in the higher education marketplace. Looking ahead to what will be transformational is the current efforts underway where Harvard and M.I.T. through their subsidiary *edX* and Stanford University through *Coursera* begin offering their degrees online (Schnoor, 2012). What moves the process from disruptive to transformational is that the instruction is purported to be of high quality (involving state-of-the-art production facilities producing content designed the way people learn) employing a delivery system that has far greater scalability at a lower costs to the traditional classroom. Once *edX* or *Coursera* achieve their promise, the value equation of obtaining a prestigious degree via a cheaper more convenient medium will no doubt create enormous challenges for the traditional universities. Our point in raising this issue is to underscore that today no sector is without competition, and remaining competitive in such a fast changing environment requires an intelligent strategy in assessing the competitive environment, making wise investments decisions, and at times recognizing the need transform ones business model in order to remain viable.

In Conclusion

The contemporary stream of thought in business strategy is that established firms that fail to innovate and continually improve ultimately go out of business. Like a mountaineer scrambling across a scree field on crumbling footing, it takes constant upward-moving effort just to stay in place (let alone advance). Any pause in this effort (such as contentment born of past profitability) can cause a rapid downhill slide. Countless examples show us that this assumption is not only overly simplistic but wrong in that it seldom models reality. What Christensen and his colleagues have shown is that good firms are usually aware of these innovations, but their business models do not allow them to pursue them when they first arise, because they are not profitable enough at first and because their development can take scarce resources away from their focus on innovations needed to compete against current competition. These firms make the mistake of placing insufficient value on the disruptive innovation to justify pursuing them. These decisions open the door for start-up firms with inherently simpler and less costly business models to launch and eventually compete with them. At that time, the established firms in order to survive must devise a strategy to fend off the attack on its market share with me-too offerings of their own that must match the cost structure of the disruptive innovator. Firms that can identify and bring to market innovations that are truly transformational, trump all competitors at least temporarily.

The findings of Christensen and colleagues that are drawn from manufacturing and technology settings provide a useful framework to better understand innovation in the hospitality and tourism industry. However, their framework should not be adopted unquestioned. Innovation in manufacturing primarily involves top-down changes to a firm's products and processes requiring significant financial investments. Innovation in services are often a bottom-up process that are gleaned from an empowered motivated frontline workforce. Often in the hospitality industry, incremental improvements can be gained at relatively low to no cost allowing a firm to gain competitive advantages. *"A smile costs nothing -- and in the hospitality industry, it means everything"* Bryan Langton, former CEO of Holiday Inn Worldwide, was fond of saying underscoring how intangibles can make a big difference in our industry. As a further illustration, as Southwest airlines has matured to become a major US carrier, today it seldom commands the lowest fares. However the company's market share seldom is undermined no doubt as a result of a corporate culture known for its empowered engaged workforce who deliver a friendly, reliable and efficient flying experience that few competitors can match. Obviously, our industry will benefit from

additional research from those who intimately know our industry, exploring if and where the theories in innovation and competitiveness need adaptation. Sources of innovations available in our industry's trade magazines combined with corporate annual report data could provide a potential means to link strategy with financial performance thereby contributing to the emerging theory.

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Innovativeness in Tourism: The Perception of Innovation Awards Participants

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Abstract: *The importance of innovation is widely recognized, however its analysis in service industries is difficult. The same becomes true for the tourism industry. This research suggests that there are various factors which influence innovativeness of tourism companies and therefore aims to contribute to the debate on the innovativeness of tourism businesses. Specifically, authors aim at understanding the main influencing factors on innovativeness because understanding innovativeness has managerial implications for the tourism industry. The paper undertakes a review of the relevant literature and unterakes a quantitative study among 149 participants of German innovation awards. Although the sample size is small, authors can confirm the single influencing attributes according to literature by the gathered data for both internal and external influencing factors on innovativeness.*

Keywords: innovativeness, influencing factors, tourism, service providers

Introduction

The importance of innovation is widely recognized on both the empirical and theoretical levels. However, analysis of innovation in service industries is difficult. On the one hand, innovation theory has been developed essentially on the basis of analysis of technological innovation in manufacturing activities; on the other hand, the specific properties of service activities, particularly the nature of their output, make it particularly difficult to measure them by the traditional economic

methods (productivity) and to detect improvement or change (on the qualitative level).

Tourism firms operate in an extremely competitive sector which is characterized by continuous transformation (Sundbo et al. 2007; Wahab and Cooper 2001). Therefore, tourism firms' competitiveness depends on their innovativeness in achieving lower costs and higher quality outputs that meet the demand requirements of potential customers, and which introduce new products (e.g., improved services and products, individualization, environmental issues and ICT interaction). Nonetheless, research on innovation in tourism has been limited. Only recently, classic innovation literature intensively focuses on innovations in tourism; the majority of studies concentrates on the producing industry. Although innovation historically has been a relatively under-researched field in the tourism industry, it has become the centre of attention in the last few years. Since the beginning of the new millennium in particular, researchers have increasingly begun to discuss innovation in tourism (Jacob et al. 2003, Volo 2004, Flagestad et al. 2005, Ottenbacher and Gnoth 2005, Volo 2005, Keller 2006, Novelli et al. 2006, Hall and Williams 2008, Pechlaner et al. 2010). Nowadays, little doubt remains about the importance of innovation for the tourism industry (Keller 2006, Walder 2006) with single tourism businesses as well as destinations competing for new product innovation to gain strategic advantages.

According to EU statistics (European Commission 2004), 40% of all service firms within the EU have been regarded as innovative in the period of 1998 to 2000; this means that 60% are not regarded as innovative. This research suggests that there are various factors which influence innovativeness of tourism companies and therefore aims to contribute to the debate on the innovativeness of tourism businesses. Specifically, authors aim at understanding the main influencing factors on innovativeness because understanding innovativeness has managerial implications for the tourism industry as well as theoretical implications. This objective is approached by asking a sample of organizers and participants of German innovation awards. Specifically, the following four broad research questions guided this investigation.

Question 1 : What are the perceived internal and external factors influencing innovativeness?

Question 2 : Is innovativeness a reaction to internal or external factors?

Question 3 : What are the causal relations perceived between the underlying factors of innovativeness?

Question 4 : What factors have the greatest impact on innovativeness?

Literature Review

Following this introduction, there are three areas of the literature that serve as a foundation of this study – the concept of innovation, innovativeness and the factors determining innovativeness in tourism and will be briefly discussed in the following section.

Innovation

A distinction is typically made between 'invention', 'innovation', 'diffusion' and 'imitation'. "Invention is the creation of a new idea. Innovation is the process of applying a new idea to create a new process or product. Invention occurs more frequently than innovation" (Galbraith, 2004, p. 203). "An innovation is an idea, practice, or object that is perceived as new by an individual or other unit of adoption" (Rogers, 1995, p. 11). Hence, while the term 'invention' stands for creating something new in general, 'innovation' means to successfully establish a new product on the market or to implement a new process into the production cycle of a company. 'Diffusion' and 'imitation' essentially mean that competitors start to adapt and copy new products and processes (Dosi 1988). The goal of innovation is a positive change in terms of productivity or added value and to maintain a balance between process and product innovation.

Innovation seems to be a major driving force for the competitiveness of a company (Nordin 2003, Danneels 2007). There are a number of definitions of 'innovation' in several disciplines, which differ in terms of variety and have different implications. At least in most business contexts, innovation is linked with the growth theory of the economy (Freeman 1990). While the neoclassical growth theory uses explicit and implicit assumptions to faultless maximisation, the Schumpeterian theory is quite different. According to Schumpeter (1965), innovation depends on the characteristics of the entrepreneur, who is faced with a dynamic economic environment. Basically, Schumpeter (1965) identified five types of innovation: (1) product innovations, (2) process innovations, (3) the utilization of new resource markets, (4) new suppliers, and (5) the change of market structures. The concept of product and process innovation is widely accepted in the tourism industry among various authors (Hjalagar 2002, Volo 2005, Pikkemaat and Peters 2005, Keller 2006). But while some remain true to the traditional Schumpeterian typology of the five types of innovation (Walder 2006, Hall and Williams 2008), others add marketing, management, logistics and institutional innovations (Hjalagar 1997, Hjalagar 2000).

To understand tourism firms' innovation behaviours, we might start studying the behaviour of the individual firm at a micro level. An

innovation may be determined by scientific research resulting in new technology, by individual entrepreneurship, or by strategic decision and management (Sundbo 1997). The first paradigm is characterized by the organisation of the innovation process in R&D departments; in the second case innovations are the result of entrepreneurs who are willing and able to innovate; and the third is the strategic innovation paradigm which emphasises the strategy as the core innovation determinant. Following the strategic approach, which Sundbo (1997) has favoured for services, innovations are market-driven and are formulated within the framework of a strategy. "The top managers of the firm control the innovation process, but ideas for innovations come from all parts of the organisation and from the external network of the firm" (Sundbo 1997, p. 436).

Coombs and Miles (2000) distinguish three approaches for studying innovation in services: (1) the assimilation approach, which treats services as similar to manufacturing; (2) a demarcation approach, which treats innovation in services as distinctively different from that in manufacturing postulating new theories and instruments; and (3) a synthesis approach, which suggests to investigate how the specificities of service activities might reformulate innovation approaches in manufacturing. Innovation studies have been carried out using all three approaches. The assimilation approach has been applied most frequently as illustrated by Preissl (2000), Hughes and Wood (2000), Johannessen et al. (2001) or Chan et al. (1998). The demarcation approach, which focuses on distinctive features of service innovation rather than comparing innovation in services with innovation in manufacturing, has been applied and further developed by the works of Gallouj (1998), Sundbo (1997) and Sundbo and Gallouj (2000). To our knowledge, the synthesis approach until now has only been applied by Drejer (2004) as well as Gallouj and Weinstein (1997).

Although innovation used to be a rather under-researched field in the tourism industry, it has become the focus of attention in the two decades. While some authors have concentrated on the hotel industry (Jacob et al. 2003, Orfila-Sintes et al. 2005, Ottenbacher and Gnoth 2005) or on destinations (Flagestad and Hope 2001, Pechlaner and Tschurtschenthaler 2003), others have focused on small and medium sized tourism enterprises (Hoelzl et al. 2005, Pikkemaat and Peters 2005). There are some studies in tourism which focus on the measurement of innovation (Volo 2004) as well as on patterns of innovation (Hjalager 1997, Hjalager 2002, Jacob et al. 2003, Weiermair 2003, Orfila-Sintes et al. 2005) or on the analysis of predominate determinants of innovation (Jones 1996, Walder 2006, Ottenbacher et al. 2005). Nowadays, the importance of innovation for the tourism industry is highly

acknowledged. Some more conceptual works have been done for services (Johannessen, Olsen, and Lumpkin 2001, Drejer 2004, Gallouj and Weinstein 1997) and for manufacturing (Garcia and Calantone 2002, Siguaw et al. 2006). However, conceptual works developing an appropriate innovation approach for the specificities of tourism or its sub branches seldom exists (Volo 2005).

Innovativeness

According to Lumpkin & Dess (1996, p. 142), “innovativeness reflects a firm's tendency to engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services, or technological processes”. The OECD & EUROSTAT (2005, p. 59) define innovation-active businesses as “firms that have had innovation activities during the period under review, regardless of whether the activity resulted in the implementation of an innovation...” Therefore, the innovation capacity of a company can be regarded as “the ability to continuously transform knowledge and ideas into new products, processes and systems for the benefit of the firm and its stakeholders” (Lawson & Samson 2001, p. 384). According to EU statistics, 40% of all service firms within the EU have been regarded as innovative in the period of 1998 to 2000 (see table 1); this means that 60% are not regarded as innovative companies. This is a considerable number and the question that arises is: why?

Table 1. Typology of Innovative Service Businesses

Typology of innovative service firms within the EU (1998- 2000)		
	Number of firms	%
Total	178,000	100
Firms with innovation activity	71,000	40
Successful innovators	64,000	36
- Product innovators	20,000	11
- Process innovators	9,000	5
- Product and process innovators	35,000	20
Not-successful innovators	7,000	4
Firms with no innovation activity	107,000	60

(Source: European Commission 2004, p. 19)

Among the innovation literature, two approaches to explain innovativeness of firms exists: the resource based view (RBV) and the theory of 'dynamic abilities' (Lawson & Samson 2001; Hogan et al. 2011). The RBV goes back to the work of Edith Penrose (1959), who looks at firms as a bundle of resources (Rivard et al. 2006, p. 32). Barney (1991, p. 101) defines resources as “all assets, capabilities, organizational processes, firm attributes, information, knowledge etc. controlled by a

firm that enable the firm to conceive and implement strategies that improve its efficiency and effectiveness.” Contrasting the RBV is the capability-based theory, which according to Grant (1991) is the source of competitive advantages. “While resources are the source of a firm's capabilities, capabilities are the main source of its competitive advantage” (Grant 1991, p. 119). With regard to innovativeness, it is assumed that both views might help explain the construct, as there might be internal and external factors which determine an influence on innovativeness.

Factors Influencing Innovativeness

According to Tidd (1997, p. 26), there is “some commonality around the things which are managed the key enablers in successful innovation”. Lawson and Samson (2001, p. 284) explain innovation as the efficiency of the mainstream with the creativity of the newstream (see figure 1). There are various factors with influence the innovativeness of a firm with seven core factors being identified by Lawson and Samson: vision and strategy, resource and competence base, organizational intelligence, creativity and idea management, organizational structure & systems, culture and climate and the management of technology.

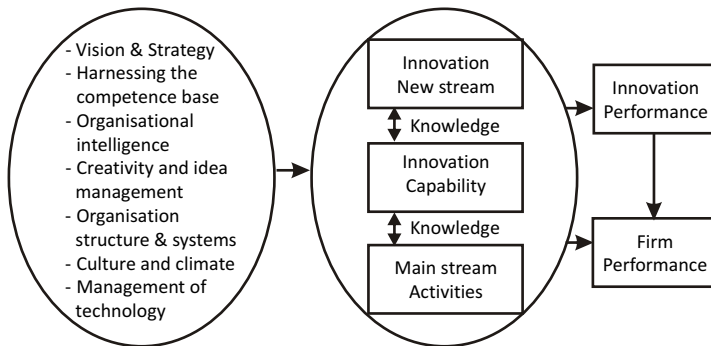


Figure 1. A model of Innovation Capability (Source: Lawson & Samson 2001, p. 388)

The model of innovation capability by Lawson & Samson (2001) is based on company-internal factors. According to the service innovation model by Bransch (2005), the innovation management is largely influenced by the following external factors. They are the political/legal, cultural, economic, ecological, and technological factors, as well as firm-specific factors such as partners, customers, and competitors.

Although there are some models providing us with an overview of potential influencing factors, a structured approach to determine internal and external influencing factors is largely missing in literature. Therefore,

we provide a structured overview of both internal and external factors. First, all internal factors influencing innovativeness, which we derived from literature, are presented in table 2 depicting the source, quotation, influencing factor and overall factor.

Table 2. Internal Factors Influencing Innovativeness

Source	Quotation	Influencing factor	Variable
Freeman & Soete 1997, p. 202	“The first commercial application or production of a new process or product, it follows that the crucial contribution of the entrepreneur is to link the novel ideas and and the market.”	Entrepreneur	entrepreneur
Schumpeter 1939, p. 102	“For actions which consist in carrying out innovations we reserve the term Enterprise; the individuals who carry them out we call Entrepreneurs .”		
Mattsson & Sundbo & Fussing-Jensen 2005, p. 362	“The entrepreneur thus creates the innovative spirit and the necessary structures , procures the knowledge and may be also venture capital. Entrepreneurship, then, is the precondition for innovation. ”		
Porter 1990, p. 74	“Or the capacity for innovation may come into an existing company through senior managers who are new to the particular industry and thus more able to perceive opportunities and more likely to pursue them.”	Managers from other industries	
Kleer 2008, p. 13	“This factor [capital] is important as access to capital market is some times restricted, especially for small firms.”	Access to capital market	employees
Sarkar 2007, p. 8	“At a firm level, studies point out to a positive correlation between innovation efforts as measured by R&D expenditure to outcome. ”	R&D expenditure	
Malerba & Brusoni 2007, p. 76	“For management, the question is how can the incentives of employees as well as others upon whom firms also depend for new ideas and expertise be structured to increase firms’ innovative performance.”	Incentives for employees	
Sundbo 1998, p. 373	“In other organisational types, the professional and the innovative network organisations, intrapreneurship is the most significant explanation to the innovation activity.”	Intrapreneurship	
Schumpeter 1939, p. 105	“The difference we shall call Entrepreneurs’ Profit , or simply Profit. It is the premium put upon successful innovation in capitalist society and is temporary by nature: it will vanish in the subsequent process of competition and adaptation.”	Entrepreneurs’ profit	

Prahalad & Hamel 1990, p. 89	“If core competencies are not recognized , individual SBUs will pursue only those innovation opportunities what are close at hand...”	Innovation-friendly strategy	strategy
Bessant & Tidd 2007, p. 429	“No organization has resources to waste in that scattergun fashion – innovation needs strategy .”		
Mattsson & Sundbo & Fussing-Jensen 2005, p. 359	“Consequently, corporate strategy often functions as a decisional frame work which helps management choose which of the innovations to implement.”		
Talke 2007, p. 64	“In sum, the results show that firms with a corporate mindset configured as described above are able to develop highly innovative new products. This finding underlines that the corporate mindset is a relevant factor facilitating product innovative ness.”	Corporate mindset (analysis, proactiveness, aggressiveness, riskiness)	
Hjalager 2002, p. 470	“Management theories about the learning organization claim that all employees are crucial for the knowledge base of a firm, and that every body without exception must contribute to the innovation process.”	Employee qualifications	
Hipp & Grupp 2005, p. 519	“The increase of highly qualified staff within the service sector... is a clear indicator of the increasing interdependence of economic activities from different sectors..... As a result, more companies require more external knowledge... These companies, in turn, play a central role in the innovation process....”		
Sundbo et al. 2007, p. 103	“Tourism firm’s innovation behavior is related to size: the larger the firm is, the larger the firm is, the more innovative it is.”	Company size	resources
Porter 1990, p. 74	“Information plays a large role in the process of innovation...”	Organizational knowledge	
Conway & Steward 2009, p. 26	“The processes of knowledge creation and knowledge sharing are key elements of the innovation process.”		
Mattsson & Sundbo & Fussing-Jensen 2005, p. 358	“Service innovations are rarely R&D based, but driven by practical experience.”	Innovation experience	
Peters 2008, p. 202	“The econometric results further reveal that innovation experience is an important driver for this phenomenon. That is, innovating in one period significantly enhances the probability of innovating in the future.”		

Apart from internal factors related to the innovativeness of a firm, there are also external factors which influence a company's innovativeness (see Bransch 2005). Again, these factors are presented the same way as the internal factors were presented (see table 3).

Table 3. External Factors Influencing Innovativeness

Source	Quotation	Influencing factor	Variable
Porter 1990, p. 79	“ Demanding buyers in the domestic market can pressure companies to innovate faster.”	Customer needs	customer
Hermann 2008, p. 313	“One apparently successful recipe for discontinuous service innovation involves redefining the role of the customer and coopting them as partners in the value creation ”	Customer integration	
Gallouj & Weinstein, 1997, p. 538	“Thus, innovation is not viewed in isolation from the technological potentialities...”	Technological development	
Kleer 2008, p. 11	“The question is then, what degree of rivalry or concentration is most beneficial for innovation.”	Market structure	market
Kleer 2008, p. 11	“The temporary monopolist is always in danger of losing its position due to a competitor's innovation. This market structure of switching temporary monopolists reduces price competition but creates innovative competition among firms.”		
Porter 1990, p. 77	“Why are certain companies based in certain nations capable of consistent innovation? .. The answer lies in four broad attributes of a nation... These attributes are: factor conditions, demand conditions, related and supporting industries, and firm strategy/structure/rivalry... ”		
Asheim & Isaksen 2000, p. 167	“... regional clusters are looked upon as an efficient basis for interactive learning, arguing for the importance of bottom-up, interactive regional innovation systems and networks specifically, as well as untraded interdependencies in general, as a stimulus for innovation ...”	Cross-industry networks	
Sundbo et al. 2007, p. 103	“...networks and favorable innovation systems are all interdependent and interrelated determinants of the innovativeness of tourism firms ...”	Networks within tourism	

Falk 2007, p. 670	"Regardless of their funding status, firms were asked to assess the benefits accrued from the entire range of (phonetically) available innovation support measures... Every other firm intensified its research activities, giving rise to project [support measures]..."	Innovation support measures
Kleer 2008, p. 19	"The basic idea of subsidies to R&D is to create additional incentives to invest in innovation when a project is likely to be beneficial for society but not generating enough returns for a private investment. This can be attributed to two types of market failures."	
Scotchmer 2004, p. 59	"The strongest case for patents is when research ideas are 'scarce,' but even then a prize system can dominate a patent system if the prize can be made to depend on the value of the invention."	Innovation awards / Patents
Mattsson & Sundbo & Fussing-Jensen 2005, p. 360	"Hence, we postulate that the main drive for innovation in tourism may come from external forces operating on the meso level."	Incentives from the destination

Empirical Study

Methodology

A quantitative approach is used to answer the research questions. A self-administered questionnaire was designed based on both the theoretical and empirical literature. Respondents were asked to rate the importance of internal and external influencing factors using five point interval scale with 1 being very important and 5 being very unimportant. The order of the factors was randomised to reduce the possibility of bias associated with the order of items.

Data Collection

Data for this study was collected by a quantitative, self-administered survey administered to former participants of German innovation awards (National German Tourism Organization, Regional Tourism Organization of Bavaria and Thüringen). A total of 673 former innovation award participants of awards between 2010 and 2011 were contacted. The response rate was 149 questionnaires, which yielded a 22.14% response rate.

Findings

SPSS was used for data analysis. First, respondents were asked to rate the overall importance of innovativeness on their firm's competitiveness on a Likert scale with 1=very important and 4=very unimportant producing a

mean value of 1.34 (SD 0.531). When interviewees were asked to rate the importance of innovation awards for innovativeness, a more critical picture becomes apparent with a mean value of 2.21 (SD 0.696).

Prior to analysing the data relevant to the research questions, a factor analysis was conducted (Principal Component Analysis and Rotation Method Varimax Rotation with Kaiser Normalization, see Table 4) to assess if innovativeness could be represented by company internal factors. Variables with higher loadings are considered more important and have greater influence on the label selected to represent a factor. If the variable does have a high loading on two factors, the lowest loading is referred to as a secondary loading. When many secondary loadings occur, it is not considered a clear factoring and one would need to redefine the variables. In this case, only two factors produce secondary loadings, which mean that the relevant variables were identified in the single factor. While factor 1 comprises factors that are related to employees, factor 2 includes knowledge factors, factor 3 represents factors related to strategy and factor 4 comprises entrepreneurial issues. Although the sample size is small, follow up analysis tested the single influencing attributes that confirmed the assumptions found in the literature.

Table 4. Internal Influencing Factors on Innovativeness

Rotated component matrix

	Component			
	employees	resources	strategy	entrepreneur
Intrapreneurship	.704			
Incentives for employees	.664			
R&D Expenditure	.651			
Access to capital market	.488			
Entrepreneurial profit		.729		
Innovation experience		.709		
Organizational knowledge		.622		
Company size	.436	.555		
Corporate mindset			.741	
innovation-friendly strategy			.689	
Employee qualification			.666	
Managers from other industries				-.764
Personality of entrepreneur				.645

Total Variance explained:56.05%

Sampling Adequacy: kaiser-Meyer-Olkin:0.701

The same analysis was conducted with the external influencing factors. While factor 1 comprises incentives for innovativeness, factor 2 represents factors related to the customer and factor 3 includes factors

related to the market. Again, the attributes identified in literature can be confirmed.

Table 5. External Influencing Factors on Innovativeness

Rotated component matrix

	Component		
	incentives	Customer	market
Innovation awards	.835		
Innovation support measures	.834		
Incentives from destinations	.701		
Customer needs		.788	
Customer integration		.755	
Technological development		.703	
Cross-industry networks			.882
Networks within tourism industry			.809
Market structure			.534

Total Variance explained:63.09%

Sampling Adequacy: Kaiser-Meyer-Olkin:0.759

Identification of importance of influencing factors on innovativeness

Question 1 focused on identifying the internal and external factors influencing innovativeness by the interviewees. Figure 2 represents the survey's main items (mean values) regarding the internal influencing factors. The grey line symbolises each item's mean, while the horizontal black one represents the standard deviation. Hence, the shorter the black line is, the stronger is the item's relevance. While the company size (3.88) and

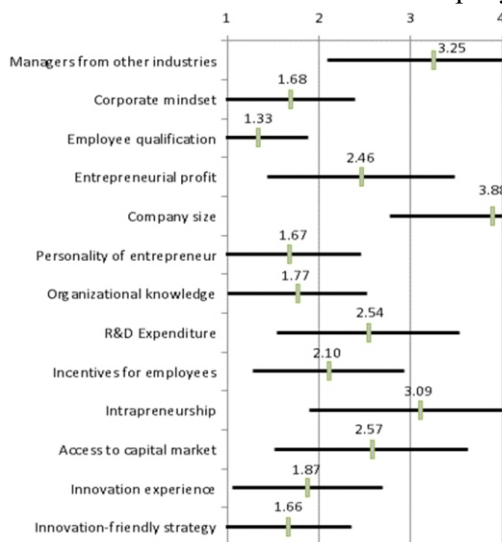


Figure 2. Perception of Internal Influencing Factors

managers from other industries (3.25) followed by intrapreneurs (3.09) are estimated to obtain the least important impact on innovativeness, employee qualifications are regarded to be of utmost importance (1.33).

Figure 3 represents the survey's main items (mean values) regarding the external influencing factors. While innovation awards (2.75) and innovation support measures (2.63) are estimated to obtain the least important impact on innovativeness, customer needs are regarded to be of utmost importance (1.21).

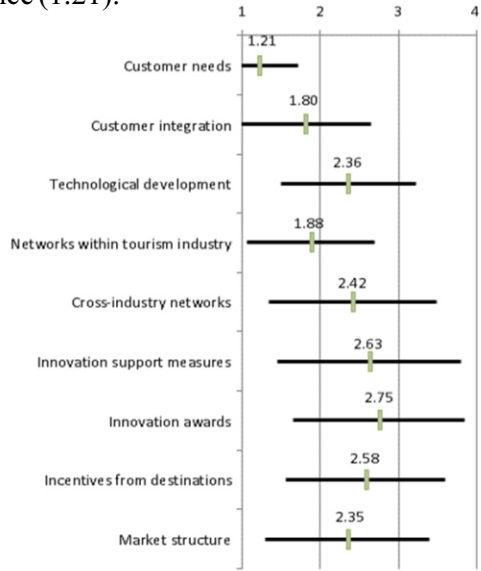


Figure 3. Perception of External Influencing Factors

Identification of top three internal and external factors

Question 2 was focused on gaining a better understanding of whether internal factors or factors caused by the external environment influence

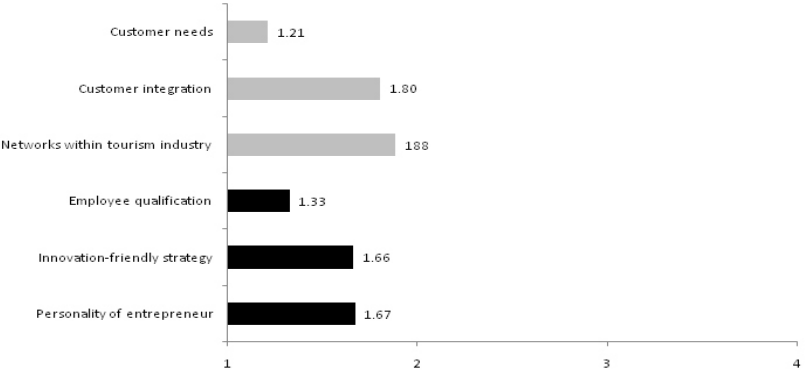


Figure 4. Top Three Internal and External Influencing Factors

innovativeness more. Altogether, internal factors show an overall mean value of 2.30, while external factors show an overall mean value of 2.22. Hence, external factors - especially the customer and his needs - influence innovativeness more than factors within the company. The top three internal and external stressors are depicted in figure 4.

Identification of causal relations between factors

Question 3 was to unveil causal relations between the factors of innovativeness. A linear regression analysis was conducted (see Table 6) with the overall importance of innovativeness and the importance of innovation awards as the dependent variables, and the average values of the internal and external factors regarded as independent variables. The model fit for the overall importance of innovativeness is $r^2 = .525$; for importance of innovation awards, $r^2 = .459$.

Table 6. The Relationship between Importance of Innovativeness and Importance of Innovation Awards across Internal and External Factors

Linear Regression Analysis					
		Standardized coefficients	t	sig.	collinearity statistics
		Beta			VIF*
overall importance of innovativeness	internal factors	.00	.02	.04	1.43
	external factors	.02	.22	.34	1.52
importance of innovation awards	internal factors	.02	.17	.05	1.42
	external factors	.83	.93	.34	1.50
* Variance Inflation Factor (VIF), measure of multicollinearity, threshold value is below 0.19 or above 5.3.					

The regression analysis was undertaken to ascertain the causal effect of the two dependent variables upon the independent variables (internal and external influencing factors). As far as the overall importance of innovativeness is concerned internal factors reveal a significant result. Regarding external factors, there is no statistically significant impact of the average mean values. Innovation awards, though, seem not to have any statistically significant relation to internal and external factors.

Discussion and Conclusions

Before summarizing the results, it is important to reiterate the study's limitations. First, the results are based upon a small sample of innovation award participants, which limit both the generalizability of the results and the degree to which sub-analysis could be performed on the dataset. Secondly, the survey instrument was quantitative in nature, which limited the depth of insights that could be gleaned as to the factors influencing

innovativeness. Thirdly, the factors selected for inclusion in this study were those for which there was already information and analysis available in the literature. Certainly, many other variables could be included. In addition, the factors were operationalized by measuring the perceptions of respondents. It is not clear from this particular dataset whether these perceptions reflect reality. And fourthly, data was collected between 2010 and 2011, which means during a longer period of time than usually.

Nevertheless, this study produced a number of findings that we believe are noteworthy. Regarding influencing factors deriving from the company (RBV), there are factors which relate to employees, factors which include knowledge items, factors which relate to strategic issues and factors which comprise entrepreneurial areas. As regards the dynamic capabilities of a company and its external influencing factors (Grant 1991), we could identify factors comprising incentives for innovativeness, factory represents customer-related issues and factors relating to the market.

Both external and internal factors influencing innovativeness need to be connected, managed, and implemented into the culture of a company. Both factors are constitutive for a company's competitiveness. Following the strategic approach favoured for services by Sundbo (1997) innovations are market-driven, i.e. ideas for innovations come from all parts of a company inside and outside. This study confirmed that external factors - especially the customer and his needs - influence innovativeness more than factors within the company. This underlines the customer focus within the service-dominant-logic (S-D logic), where the customer is co-creating the service experiences making it a holistic process. This seems also to be true as regards innovation; the integration of the customers seems to be an important variable for the innovativeness of the company.

The internal factor which seems to be of utmost importance for innovativeness according to our findings is the qualification of the employees, as tourism is heavily relying on its employees, who must have the competencies and skills to reply to the growing worldwide competition, changing demand patterns, the claim for better products and offers, the decreasing attractiveness and increasing uniformity of offers, and other developments related to tourism (Zehrer & Mössenlechner 2008).

The purpose of the paper was to understand innovativeness in tourism, especially the factors influencing innovativeness. While a description of innovativeness is important to the development of its

understanding in the service industry, further research examining an alternative array of influencing factors would considerably advance the understanding of innovativeness. It is our hope that as an exploratory study, the results of this study will encourage other researchers to explore the topic further using larger samples and mixed methods.

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Rural Tourism: An Internal Perspective on Challenges and Innovation

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Abstract: *The paper reports on the insights from a one-day workshop with stakeholders focused on the challenges of rural tourism in Southern Ontario, Canada, and potential innovative solutions. Rural tourism is populated with small scale enterprises operated by amenity migrants and long-term residents who place priority on lifestyle over business growth. The stakeholders identified eight key challenges facing rural tourism including funding, variable demand, product development, collaboration, infrastructure, marketing, policy and research. The recommendations for innovative action steps were market-driven, safe and relatively risk-free, suggesting improved leadership and management of resources will improve rural tourism. The responses side-stepped the key challenge - the lifestyle mindset of the operators. No visionary, disruptive ideas were presented, nor was clarity offered as to the types of innovation necessary to guide rural tourism operators in addressing each of the identified challenges. The insights reflected an internal perspective lacking in true innovation. An innovative perspective would recognize the resilience of the individual operator, and in so doing recognize the need to work at different levels, domains, and scales rather than striving for a holistic solution to the challenges. An external perspective is needed to articulate different approaches to innovation, ranging from incremental improvements, to lifting, shifting and adapting ideas from other contexts to visionary innovation in order to address the broad challenges facing rural tourism.*

Keywords: rural tourism; innovation; entrepreneurship; adapters; pioneers

Introduction

Innovation is often cited as a key attribute of entrepreneurship, whereby novel concepts of potential value to both existing and new customers are introduced to provide a distinct point of differentiation for

an organization (Drucker, 1985; Feeny & Rogers, 2003; Ottenbacher & Harrington, 2007; Tidd & Bessant, 2009) for a limited period of time. Innovation represents a departure from the norm, whether that is a product, process, a service, marketing approach or an organizational method. It is not about imitation, best practices or benchmarking, but rather purposefully introducing new concepts designed to separate an entity from the norm. The act of innovation therefore revolves around the capacity to accept, adapt, and capitalize on change (Kanter; cited by Hall & Williams 2008, p. 5) resulting in a discontinuance of a previous practice (Hjalager, 2010).

The rural environment is conducive to a more relaxed approach to business, personified by lifestyle operators (Ateljevic, 2009; Hall, 2005). Morrison (2006) characterized these small family businesses as having relatively low professional skills and financial barriers to entry, which are also attractive qualities for individuals seeking alternative careers. The lifestyle entrepreneur's motivations focus more on personal relationships and personal development, as well as an opportunity to showcase the local environment to those who visit (Goulding, Baum, & Morrison, 2005), and a lesser concern on the accumulation of personal wealth (Shaw & Williams, 1994; Benseman, 2009). The question therefore arises to what extent rural entrepreneurs are open to innovation and what, if any, barriers are perceived by the myriad of organizations working to foster tourism in rural settings.

Literature Review

Innovation

Innovation is a relative activity - what may be a new concept for one organization may be completely normal to another (Abernathy & Clark, 1985). Therefore, an innovation does not necessarily have to be brand new to the world, a country or a sector. It could be new only to an organization, a business unit, or for a single person (Hoelzl, Pechlaner, & Laesser, 2005; Jones, 1996). Innovation is therefore contextual (Morrison, 2006).

As innovation involves risk, its potential implementation is a function of an entrepreneurial mindset. As Rogers (1995) notes, the vast majority of a population is risk adverse, imitating new ideas from market leaders over a period of time. When viewed as a bell curve, visionary innovators represent less than three percent of a population. These individuals and organizations rely on the early adaptors, who represent 12.5 percent of a population, to ensure the new concepts have initial acceptance. In other words, the development and spread of innovation is the initiative of 15

percent of a population, although another 68 percent could be seen as imitators, who will replicate incremental changes to their products, processes or markets over time, some more quickly than others, with laggards being the last to do so, usually when there are no longer any alternatives.

The conceptualization and implementation of new concepts characterize a market-driving approach (Kumar, Scheer, & Kotler, 2000), where individuals and organizations purposely leverage their weak market ties (Granovetter, 1973), knowledge networks, foresight and ability to lead. Market-drivers look beyond maintaining the status quo, purposely considering alternative strategies to capitalize on changing market opportunities, creating points of sustainable difference, and attracting new markets. The extent of change distinguishes 'adapters' and 'pioneers' (Brooker, Joppe, Davidson, & Marles, 2012, p. 687). Adapters are affiliated with existing groups, and therefore source new ideas from different geographical regions and sectors (Sundbo, Orfila-Sintes, & Sørensen, 2007) and adapt them to fit their industry, respectful of existing traditions. Therefore the new ideas are not radical in nature but rather complement what is already in place.

In contrast, pioneers are generally not members of a sector, but rather outsiders who are unaware of existing traditions or norms. They leverage their knowledge networks and weaker market ties to gain access to information, knowledge and resources that are inconsistent with prevailing beliefs (Rogers, 1995). The new insights facilitate creativity and innovation that disrupt current sectoral thinking and approaches to conducting business. Market-drivers therefore introduce change to a sector from both internal and external perspectives, resulting in both liminal and radical innovation (Brooker & Joppe, in press).

Market-driven individuals or organizations, in contrast, are imitators of others within their sector as they rely on strong market ties for knowledge, standards, and benchmarks. Innovation occurs at the individual business level, restricted to incremental improvements previously undertaken by their peers. The approach results in a tendency to react to existing problems, rather than searching for new opportunities (Brooker, 2011). The reliance on traditional management tools including customer satisfaction surveys, sectoral benchmarks and monitoring competitors ensures minor changes are undertaken to safeguard repeat visitation. Changes are kept to a minimum. Table 1 compares the imitative, adaptive and pioneering approaches.

Table 1. Comparison of Incremental, Liminal and Visionary approaches

	Imitators	Adapters	Pioneers
Information	Strong market ties	Weaker market ties	Weak market ties
Market signals	Strong market signals	Weaker market signals	Weak market signals
Response to change	Preserve status quo	Periodic drives forward	Capitalize on constant change
Breadth of change	Limited possibilities	New ideas respect existing sectoral boundaries	Expands possible horizons
Primary market focus	Existing customers	Existing and potential customers	Focus on new customers, less so on existing customers
Benchmarking	Relies on sectoral benchmarks	Benchmarks are springboards	Internal rather than sector benchmarks
Primary innovation type	Incremental improvements	First to introduce ideas lifted from other contexts	Disruptive, radical ideas

Source: Adapted from “Innovation within the Australian Outdoor Hospitality Parks industry” by Brooker et al., 2012, *International Journal of Contemporary Hospitality*, 24, p. 687; “New Products Management” by C.M. Crawford, 1997, 5th ed., Irwin: Chicago.

Rural Tourism and Entrepreneurship

Rural tourism is a broad framework that encompasses any leisure experience in non-urban settings. It includes agricultural and nature-based experiences, wellness, outdoor recreation, culture, arts, heritage, and culinary tourism experiences. Lane's (1994) definition suggested that rural tourism includes small-scale enterprises, open spaces, contact with nature, heritage, and traditional societies and practices (p. 14). Thus, rural tourism can be conceptualized as escape from urban environments, rest, relaxation and rejuvenation.

Rural locations, while offering an idyllic setting for tourism, are particularly challenging for entrepreneurs given their distance from larger markets and skilled labour and their more dispersed web of business networks (Bosworth & Fennell, 2011). Some have migrated to the rural location specifically to start a business, while others already live there. Whether amenity migrants or long-term residents, operating a rural enterprise arguably makes the role of the entrepreneur even more critical within the local context (Benneworth, 2004).

Many rural tourism enterprises operate in a market-driven manner, led by mature individuals and/or families who combine business with lifestyle. They are not as profit-oriented as other entrepreneurs, making it

difficult to achieve necessary levels of critical mass required to make investments in capital and technology financially worthwhile. Part of this lifestyle tends to be a higher touch interaction with clientele that would be lost with expansion and/or greater reliance on technology (Joppe, 2011). The overall approach results in a focus on survival rather than thriving (Brooker et al., 2012), given the moderating factors that impact growth potential. Yet in their own distinct way, these small enterprises act as catalysts to community development, positively contributing social and financial capital to outlying communities (Buhalis, 2001).

Although there are a plethora of studies that examine rural tourism (see for example, Bramwell, 1994; Clark & Chabrel, 2007; Lane, 1994; Page & Getz, 1997; Panyik, Costa, & Rätz, 2011; Petrou, Pantziou, Dimara, & Skuras, 2007; Saxena, Clark, Oliver, & Ilbery, 2007), far fewer explore rural tourism entrepreneurship (Bosworth & Fannell, 2011; McGehee & Kim, 2004) or rural tourism innovation (Brooker & Joppe, in press). Furthermore, there is a shortage of studies explicitly addressing the relationship between innovation and rural tourism from an insider's perspective that acknowledges small-business owners' predominant lifestyle mindset and its impact on rural tourism innovation. Our perspective highlights the challenges associated with introducing innovation beyond the market-driving perspective whereby rural tourism enterprises rely on their personal connections to share knowledge and experiences (Aylward & Kelliher, 2009; Beritelli, 2011) often resulting in replication of existing concepts. The market-driven vs. market-driving binary is applicable to every innovation situation, although in this paper, we employ it as the lens through which innovation can be used within the rural tourism context, specifically in Southern Ontario, Canada.

Our paper explores the results of a one-day workshop, convened as part of a larger study on innovative best practices in rural tourism strategic development in Canada. Since workshop participants largely represented an inside perspective (only two were also entrepreneurs), we hypothesized that the recommended innovative solutions offered by the stakeholders represent primarily a market-driven perspective, given they originate from within the industry itself. By nature, the recommended innovations will reflect conservative ideas based on the imitation of existing best practices elsewhere and incremental improvements made to the existing governance, marketing, and knowledge sharing approaches, as they are based on strong market ties (Granovetter, 1973). We further hypothesize that radical innovative ideas will not be presented as these originate from an external perspective that was not represented at the workshop

Method

An extensive literature review was undertaken as part of a larger study whose primary objective is to identify and compile the key factors that positively or negatively affect the success of rural tourism development initiatives. Rural tourism has been a focus of economic development initiatives in many countries, for many years (Bosworth & Fannell, 2011). While founding principles of development from stakeholder participation to good governance remain critical to success (Deuchar, 2012; EURADA, n.d.; Panyik, et al., 2011) old models alone are insufficient. To determine more recent thinking in this regard, English-language resources since 2000 were collected, including web pages, brochures, reports, books, scholarly articles and published case studies. Innovation was determined to be key and was identified as an important success factor in terms of product, packaging, promotion and partnership/governance.

To validate and refine the findings of the literature review, an invitation was sent to a wide range of individuals in Ontario, Canada who work extensively in the rural tourism environment. A total of 30 stakeholders, representing provincial, regional and community tourism organizations (DMOs), consultants, economic development officers, and academics met to deliberate the challenges faced by rural tourism operators, followed by a discussion of potential innovative solutions that addressed the expressed concerns.

Through facilitated small group discussions, participants were asked to reflect first on “what is wrong with rural tourism”. Each group captured its thinking on flipcharts and then presented their notes to the other stakeholders. A whole group discussion ensued to further discuss key elements of the presentations. After a general discussion about innovation, its definition and manifestation, and why it matters, new groups were formed. The second question about encouraging the rural tourism sector to be strategic in its innovation and identifying the key success factors (tools, process, people) was similarly debated in small groups and presented to the others. All notes for both sessions were transcribed verbatim and classified by theme by the researchers.

The Findings

In response to the question, “What's wrong with rural tourism?”, an extensive array of challenges were offered, classified into eight categories (see Table 2). These included, in no particular order: funding; demand; product development; collaboration; infrastructure; marketing; research; and policy.

Table 2 Challenges Facing Ontario's Rural Tourism Sector

Challenge	Details
Funding	<ul style="list-style-type: none"> • Under resourced – both in terms of capital and human resources • Investment funding is difficult to obtain • Seasonality impacts ROI • Not sustainable base funding for organizations
Demand	<ul style="list-style-type: none"> • Rural attracts older rather than younger visitors -is it compelling to these audiences? • Low demand • Lack of critical mass • Visitor expectations too high for current product • Seasonal • Distance from major centers
Product Development	<ul style="list-style-type: none"> • Lack of innovation: Products need to be updated meet today's/tomorrow's market aspirations, tastes – disconnect with high consumer expectations • Products need to be appealing, experiential • Lack of awareness of products • Need a 21st century approach to selling (technology) • Unsophisticated, small-scale products that are not market ready • Uneven quality • Lack of best practices to guide operators • Competition against less expensive package tours (e.g. Dominican) • Too often a lifestyle business
Collaboration	<ul style="list-style-type: none"> • Lack of overall organization and strategy ... amongst operators, communities, government agencies • Too many silos amongst a lot of different stakeholders • Residents – the value of rural tourism not understood; push back - Not in my backyard syndrome – close gates once I am in • Operators not marketing each other as much as possible • What does a destination have? What does a tourist want? How is this communicated in a meaningful way? • Lack of industry engagement • Lack of leadership/champion • Lack of entrepreneurship
Infrastructure	<ul style="list-style-type: none"> • Way finding (directions to the locations) and better signage is needed but gets caught up in policies and regulations • Lack of access • Insufficient bandwidth; coupled with lack of technology • Distances between 'product'; lack of tourism clusters • Lack of understanding as to what investments are needed • Need interpretation of rural assets, e.g., identification of crops
Marketing	<ul style="list-style-type: none"> • Lack of image • Lack of overall brand – what is the focus, the benefit? • Need to identify unique experiences and opportunities • Need to effectively package overall product • Overall lack of promotion, especially through technology • Accessibility to information inconsistent • Marketing – lack of resources • Insufficient market intelligence

	<ul style="list-style-type: none"> • Need to be able to relate compelling stories/experiences • Insufficient promotion to change perceptions as to what rural tourism entails
Policy	<ul style="list-style-type: none"> • Policy/legislation not always supportive • Lack of general support at all levels of government • Encroaching development of commercial and residential space • Barriers to development • Restrictions regarding on -farm activities and farm gate businesses • Pitting regional against rural/urban
Research	<ul style="list-style-type: none"> • Success measures –what are they? And how do we measure them? • Return on investment– economic impact not understood • Regional/domestic visitors are not valued and poorly understood • Potential of domestic visitors not well researched • No clear definitions as to what constitutes “rural”

Further discussion about issues led participants to zero in on two general topics that are woven throughout the eight categories of challenges: governance and the operators' approach to business. While there was general agreement that the provincial government needed to assume a leadership role in developing a coherent strategic approach, participants felt the top-down approach so often adopted left the industry disengaged and allowed lower levels of government to be more concerned with political boundaries than an overarching direction that would benefit the province as a whole. The problem is compounded by the myriad of programs and initiatives launched by different ministries as well as regional and municipal bodies, all of which tend to support the status quo or at least the “tried and true”. Instead of supporting riskier levels of innovations, programs tend to manage the existing resource base and at best, will allow for incremental innovations that have shown success elsewhere.

Operators and organizations seem to be comfortable with this situation as it is a conservative approach to managing businesses. Rural tourism business owners and managers in Southern Ontario showcase the classic characteristics of the lifestyle mindset, happy to survive rather than thrive, shunning business growth and innovation, focused on their own situations than on the broader tourism sector. The noted approach impacts the financial and human resources, limiting available funding for capital development and, in turn, limiting the ability to expand, if so desired. Overall, the rural tourism product is unsophisticated, lacking novelty, varying in quality, and rarely packaged with other products and services due to the inward focus of the operators. Idea sharing is limited to strong network ties, resulting in homogenous rather than heterogeneous products. As one stakeholder noted, “every Tom, Dick, and Harry town across North America has a tourism effort underway. Most are bland and more of the same old stuff.” Replication has become the norm. The lack

of bundling and packaging products and services is further due to the distance between businesses, as clusters of tourism enterprises is difficult in peripheral locations. The lack of clusters further reduces the spread of innovative ideas, illustrating the interconnectedness of the various factors. Each of the categories relates to the others, as noted in Figure 1.

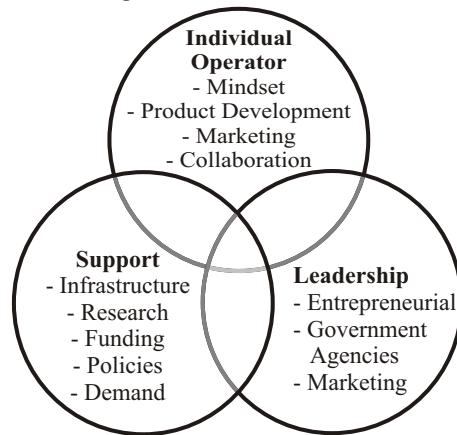


Figure 1 The Interrelationship between the Three Primary Concerns Impacting Ontario's Rural Tourism Sector.

The general discussion noted the need for encouraging different levels of innovation within rural tourism. The current government focus on innovation seems to be limited to the technology sector at the expense of all others. There is a need to go beyond incremental improvements and support the lifting, shifting and adapting of ideas from other jurisdictions. This kind of liminal innovation should be sustained through the creation of a “Centre for Tourism Innovation”, similar to the Rural Ontario Institute which has been doing an excellent job of developing leaders, initiating dialogue, supporting collaboration and promoting action on issues and opportunities facing the province's farming and agro-food sectors.

In response to the noted challenges, the stakeholders offered a number of recommended actions steps, classified into seven categories (see Table 3). These included improved coordination between various stakeholders; research; marketing; communications; improved

Table 3 Recommendations for Successful Rural Tourism

Success Factor	Details
Coordination	<ul style="list-style-type: none"> • Need to break down the silos, bring competitors together • Share best practices through a common platform • Create value for partners • Bring in different people from different sectors • Develop province wide standards

	<ul style="list-style-type: none"> • Work outside political boundaries, across jurisdictions • Better policy coordination among relevant government ministries • Improve collaboration between existing regional tourism organizations
Research	<ul style="list-style-type: none"> • Customer needs and motivation • Measure innovation • Best practices in rural tourism • Create a resource inventory • Undertake a gap/sustainability analysis • Better understand different levels of innovation
Marketing	<ul style="list-style-type: none"> • Connect attractions for different market segments • Provide experiences based on price, length of stay and theme • Target marketing • Develop consistent theme and branding
Communication	<ul style="list-style-type: none"> • Input from operators and visitors into rural development planning and policy • Create more networking opportunities • Educate residents on benefits of rural tourism • Provide market research information • Improve working relationships between government ministries and rural tourism industry • Create and expand common platforms (electronic, conferences, workshops) to share information and best practices • Showcase how innovation can work, bring it to the ground level • Provide accessible links to external examples of innovation
Governance	<ul style="list-style-type: none"> • Acknowledge the industry • Bottom up planning, understand community driven strategies but integrate into provincial strategy • Develop tools to support rural tourism • Reward and support champions • Have a vision, get buy-in from stakeholders into long-term strategy • Hire fresh consultants for new insights, rather than rely on small group • Move to implementation for existing plans • Leverage local knowledge
Human Resources	<ul style="list-style-type: none"> • Identify and encourage champions / leaders • Train planners and facilitators • Build capacity at the local level
Investment	<ul style="list-style-type: none"> • Provide incentives • Targeted infrastructure investment • Education and training • Innovative product development • Support risk and long-term thinking • Sponsor meetings with NGOs • Facilitate leadership capacity on the ground by working with small groups of operators

governance; human resources; and investment. Collectively, the recommendations called for improved coordination between different government agencies with interests in rural tourism, improved coordination between the operators themselves to facilitate enhanced marketing efforts, and the identification and support of thought leaders.

Similar to the challenges, a relationship exists between the recommendations for successful rural tourism, as noted in Figure 2. Improvements to best practices in communications, coordination and governance could lead to improved investment opportunities in research, marketing, and human resources. Similarly, additional focus on introducing innovation, and the purposeful search for ideas outside of the province, both nationally and internationally would provide knowledge of practices that could be lifted, shifted and adapted to fit the Southern Ontario context.



Figure 2 - The Interrelationship between Recommended Rural Tourism Development Strategies

Discussion

The challenges and potential solutions offered by the 30 stakeholders reflect an insider's perspective representing various government ministries, destination marketing organizations, economic development offices, consultants, academics and agency board members. The comments, when reduced into categories and themes, suggests that rural tourism is a homogenous sector, challenged by the mindset of the individual operator, a lack of support and leadership. In turn, the stakeholder's recommendations can be categorized as developing a series of best practices, investment in the sector, and innovation (see Table 4).

Table 4 Challenges and Recommendations Southern Ontario Rural Tourism

Challenges	Recommendations
Individual Operator	Best Practices
Support	Investment
Leadership	Innovation

A clear correlation exists between the challenges and the recommendations, albeit the connection is based on reducing the comments of thirty stakeholders over the course of a day into six phrases. Benchmarking best practices is a management tool. Although the gathered information will provide additional insights for the individual operators, focus support on key areas, and stimulate the sector's leaders, no novel concepts were introduced. At best, the exercise allows for a lift, shift and adaption of practices that may stimulate incremental improvements, given the mindset of rural tourism owners and operators. Leadership in investment and innovation are needed from the public sector, but these terms are currently (ab)used as a catch all designed to suggest a knowledgeable response to the challenges facing a sector.

Collectively, the recommendations put forward mimic the market-driven approach, supporting our hypothesis. They are safe and relatively risk-free, suggesting improved leadership and management of resources will improve rural tourism. The responses side-step the key challenge the lifestyle mindset of the operators. The rural context requires innovative ideas specific to the situation, yet the stakeholders failed to clearly articulate an innovative strategy. No visionary, disruptive ideas were presented, nor was clarity offered as to the types of innovation necessary to guide rural tourism operators, supporting our second hypothesis. Innovation was offered as a solution with no details as to the type of innovation and how it could be effectively used to address each of the eight identified challenges.

Rural tourism operators are resilient. They are not seeking business growth nor do they purposely engage in innovative activity. Nonetheless government agencies, destination marketing organizations, and economic development offices seek growth, establishing networks such as regional tourism organizations to foster connection and knowledge sharing amongst their constituents. As noted in the comments, the solution to rural tourism is tied to governance. An innovative perspective would recognize the resilience of the individual operator, and in so doing recognize the need to work at different levels, domains, and scales rather than striving for a holistic solution to the challenges. To that end, we again present the need for understanding the different approaches to innovation, and developing a framework whereby different innovation

approaches can be implemented, ranging from incremental improvements, to lifting, shifting and adapting ideas from other contexts to visionary innovation. The challenges are broad, thus the solution needs to be even broader.

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Innovation in Mature Markets: A View from Hotel Industry

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Abstract : *This paper extends a typology of innovation proposed by Moore (2005) that takes into account the life cycle of an industry as a means of classifying trends of differentiation and/or innovation in the hotel segment. It identifies the key strategic differentials of innovation into six innovation groups designed to increase or sustain competitive advantage.*

Keywords: Marketing strategies. Innovation. Hospitality. Life Cycle. Category maturity.

This paper applies the innovation type model proposed by Moore (2005) on the hotel industry in attempt to provide a better understanding of innovation in hotel development within the last five years derived from tourism trade magazines. The strategic innovation differentials identified in the following real cases represent strategies of innovations that are offered individually or combined with others to improve or sustain a hotel company's strategic position and competitiveness in the marketplace. By reviewing the types of approaches executed by companies under such a model or framework, it is the author's hope to contribute a better more comprehensive understanding of strategic positioning (Walker Jr., Boyd Jr. and Larréché, 1996) and means to sustain competitive advantage (Porter, 1998) particularly in the hotel sector.

Lovelock and Wright (2001) have suggested that strategic positioning can be observed as ranging from cost leadership (e.g., economic hotel chains segment) to differentiated market and service focused strategies offered to clients (e.g., brands, amenities). Though Yu and Klement (2006) in their literature review about service innovation theories applied to the hospitality industry conclude that both information technology (IT) and aspects of the service rendering are sources of innovation, the present paper concentrates on the service rendering given their greater relevance to strategy formulation or the creation of sustainable competitive advantages through differentiation. The need to constantly innovate services offered to hotel guests is critical to the long-term stability and profitability of these companies (Cooper and Edgett, 1999; Ottenbacher, 2007).

New developments of hospitality services include virtually all innovation types. They can range from the so-called incremental changes

of the services rendered to clients to radical (or disruptive) innovations that include pioneer services offerings to unexplored markets by the segment (Piv?evi? and Petri?, 2011; Ottenbacher, 2007). An alternative way to review the innovation strategies adopted by a company is through the comparison with its characteristics according corresponding phase in the market product life cycle (Moore, 2005; 2004; Walker Jr. et al., 1996; Modis, 1994). As a whole, it can be argued that the world's hotel industry is in the maturity phase of its life cycle. Though there exists internationally examples of emergent tourism destinations (e.g., Dubai) that are in their growth phases, the overall market is marked with features (symptoms) of an industry in its mature life cycle phase. They include such features as great number of competitors, divided market share, and high degree of rivalry (Walker Jr. et al., 1996). The most critical strategic objective for mature companies is to maintain and protect market share. In order to escape from a predatory pricing war that is common in mature markets, companies must seek differentiation strategies so as to guarantee their profitability through the adoption of differentiated prices to service offers (Cooper and Edgett, 1999; Ottenbacher, 2007).

Moore (2005) highlights that there are five potential results from applying innovation strategies. They are differentiation, neutralization, productivity, failure and waste. Although the first three represent positive results for companies, only differentiation brings competitive advantages and is capable of creating bargain power with customers. Though Moore's (2004) typology model of innovation is based essentially on the application of technology, we contend his model is applicable to those observed in the hotel industry classified as belonging to at least one of the following types: structural, of business model, experiential, of process, of application or disruptive innovations.

Alternatively, Schnaars (1998) suggests ten factors as a basis of differentiation that are composed of tangible and intangible attributes, which when combined can offer an almost infinite possibilities of offerings. Seven of those factors are frequently used as innovations strategies in the hospitality industry. They are superior performance ("best-in-class"), superior design and styling, products/services multipurpose, enhancement ("on-the-edge") innovations, luxury goods and services, popular mass-market brands names, exceptional service, greater reliability and durability, convenience, unique distribution channels, and price as point of differentiation.

Regardless of what framework, customer satisfaction level is one of the most critical points for corporative strategies formulation (Walker, et al. 1996) whose goal is to maintain competitive advantages in a mature market by offering products and services of higher quality than those of

the competitors. The consumer's perception of service quality is multidimensional and can be compromised if any of the following gaps is observed between: a) customer expectations and the perception of the professional in charge of the company marketing strategy; b) management perceptions and quality service specifications; c) quality service specifications and their delivery; d) service delivery and company communication with the market; and, e) expectation and perception of the services by the customer.

The author argues that innovation is not a choice in strategy, but a requirement - especially in a world that is highly competitive like the present one, in order to escape becoming a commodity. Borrowing an analogy from Darwin, we exist in a world of natural selection in which only those organizations capable of adjusting themselves to constant change thrive and avoid extinction (Koch, 2007).

For Moore (2005) when an industry reaches its maturity, in Darwinian terms, growth cannot be achieved by category expansion. Instead, it must come from increasing the yield from the company's current customer base or growing it at the expense of another competitor.

Drawing from Moore's (2005) category-maturity model, this paper puts forth an integrative approach to innovation recommended both for goods production and for services sectors. The author proposes a typology from the idea that there is an innovation life cycle lined with the market development life cycle stages, what means that different innovation strategies are compensated in different evolution stages. Therefore, it is based on the recognized technological innovations life cycle diffusion (or adoption) model proposed by Rogers (1971).

Moore (2005) also recommends that companies seek a corporative alignment based on innovation vectors compatible with their core competences (Prahalad and Hamel, 1990) prioritizing innovation strategies that allow their differentiation from the competition and the obtainment of more positive returns on investments required for the innovative venture.

In order to define this typology, Moore (2005) also takes as a starting point the concept of the three value disciplines defined by Treacy and Wiersema (1993) - product leadership, consumer intimacy and operational excellence - that represent directing forces of innovation needed for the value creation. The author includes in his model a forth discipline named category renewal that is specific for the final stages of the life cycle, corresponding to the declining and end phases, in which the organizations lose their capability to sustain future value creation (Moore, 2005).

For mature markets, Moore (2005) suggests the priority shall be to seek the profitability and not to focus on the revenue or the market share per se. Thus, innovation strategies more appropriate for the maturity phase typically correspond to marketing and offer optimization strategies, that is, incremental innovations concentrated on the consumer experience. The model proposal for maturity phase and the next one, of decline, is shown in Figure 1.

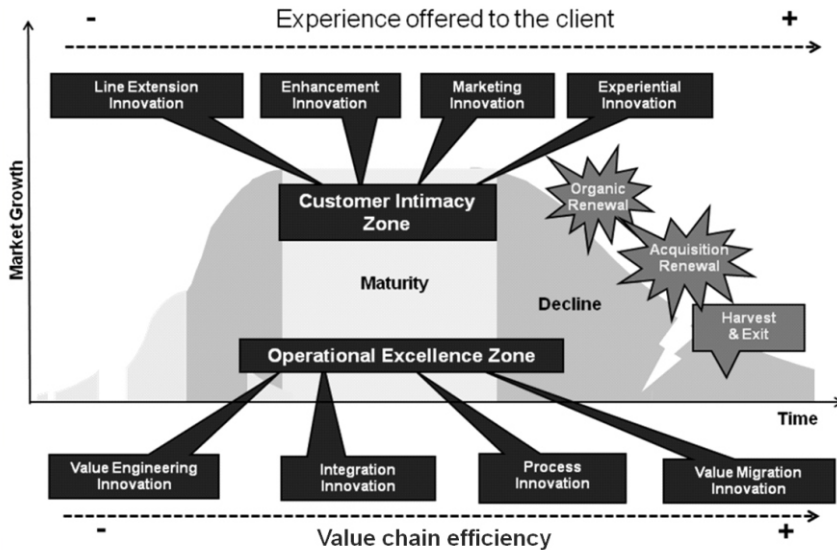


Figure 1: Innovation Typology for Mature and Declining Markets. Adapted from *Dealing with Darwin* by Moore (2005, p.14).

The innovation zone called 'consumer intimacy' is associated to higher rates of market growth and combines innovation strategies that differentiate themselves by the level of the experience offered to the customer. The innovations in this zone focus on differentiating the offering on the demand side, on Moore's own words: "they are either leveraging customer intimacy to make the offer a little bit more attractive to the customer or leveraging operational excellence to make it a little more profitable to the vendor" (Moore, 2005, p.66). In this innovation zone, four innovation types are observed sequentially – named as the focus migrates from closest the product to closest to the consumer – as: i) line-extension; ii) enhancement ("on-the-edge"); iii) marketing and iv) experiential innovations.

The 'operational excellence' zone is associated to lower rates of market growth and corresponds to innovations that seek greater efficiency of the value chain in order to make the offer more profitable for the company. In this group, four innovation types are also observed – named

as the focus migrates (in the time direction) from lower to higher value chain efficiency – as: i) value-engineering; ii) integration; iii) process and iv) value-migration innovations.

In the declining life cycle phase, the innovation strategies main objective is to revert or postpone the fall of the market growth as much as possible. This can be achieved through actions that promote the category renewal towards new growing markets such as by adopting new business models. Moore (2005) calls these strategies Renewal innovations and classifies them into two subgroups: organic innovation when the company uses its internal sources to reposition itself into a growth category – or acquisition innovation when the company solves the problem of category renewal externally through merger and acquisition.

DISCUSSION

This paper extends this typology of innovation proposed by Moore (2005) as a means of classifying trends of differentiation and/or innovation in the hotel segment as pointed by real cases in hotel development within the last five years derived from tourism trade magazines.

The strategic innovation differentials identified in these real cases represent strategies innovations that are offered individually or combined to improve or sustain a hotel company's strategic position and competitiveness in the marketplace. Moreover, this paper identifies the key strategic differentials of innovation into six innovation groups designed to increase or sustain competitive advantage. For each group, the following items are identified: the main differentiation base-factor (Schnaars, 1998), the innovation zone or value discipline (Treacy and Wiersema, 1993), as well as the priority core competence and the corresponding innovation type according to the Moore's category-maturity model (Moore, 2005). Table 1 shows a summary of this information for each group.

Table 1 Classification of the Cases by Innovation Type

Innovation groups for Hotels differentiation	Differentiation Base-Factor (SCHNAARS, 1998)	Core Competence – priority (Core vs Context)	Value Discipline or Innovation Zone (MOORE, 2005)	Innovation Type (MOORE, 2005)
Boutique or Design hotels	Superior Design & Style; Luxury Goods & Services	Design and Style	Customer intimacy	Line-extension Innovation

Green hotels	Superior performance (“best-in-class”) for “green” guests	Environmental Accountability/Awareness	Customer intimacy	Enhancement Innovation
Feminine hotels	Superior performance (best-in-class) for alone, with children and/or executive women guests	Specialized offer for women	Customer intimacy	Experiential Innovation
Techies hotels	Superior performance (“best-in-class”) for “techies” guests	Up-to-date gadgets for guest use	Customer intimacy	Experiential Innovation
Fashion hotels	Superior Design & Style; Luxury Goods & Services; exceptional services	High-luxury	Category renewal	Acquisition renewal
Mixed-market hotels	Enhancement (Product)	Mix segment specific ones (that is, Health & Aesthetics, Wellness & Beauty and Real Estate)	Operational Excellence	Integration Innovation (Wellness & Beauty; Health & Aesthetics) and Value Migration (Real Estate)

Group 1: Boutique or Design Hotels

The first innovation group reflects a trend in hospitality innovation strategy found in a niche segment that tourism experts have named as boutique, small luxury or design hotels. The boutique hotel is a term originating in North America in the 1980s to describe an intimate, usually luxurious or quirky hotel environments which differentiate themselves from larger chain or branded hotels by providing an exceptional and personalized level of accommodation, services and facilities (Wheeler, 2006; Angeli, Torres and Maranhão, 2012).

Wheller (2006) highlighted that boutique hotels have two basic characteristics. They are small (less than 200 rooms and 2,000 square feet of meeting space, such as lobby) and specialized as being stylish and contemporary (uniqueness sense of place), amenity oriented, and in some cases involving adaptive reuse of old and urban buildings.

An example of such a property appeared in the 1990's with the redesigning of an old hotel on Broadway by the French designer Philippe Stark, which was reopened in 1993 as *Paramount Hotel*, becoming a reference to the concept of *design hotels* – thus nominated the hotel enterprises with unique décor, innovative architecture, attention to technology and an effectively careful attention (Spollon, 2008).

One of the greatest challenges for boutique and design hotels is to keep an appropriate profitability level in spite of the adopted business model. By definition this model defies the formula traditionally associated to chain hotels which combines conformity and standardization to robust marketing and cost reduction strategies (Anonymous, 2005).

This innovation group represents innovation which can be seen as a marketing line- extension on the Moore's type model. It is formed as a combination of differentiation and focus strategies, which uses at least three of the differentiation factors suggested by Schnaars (1998): superior style and design, luxury, and exceptional services. Moore's line-extension type of innovation includes structural modifications to an established offer in order to create a distinctive sub-category (Moore, 2005), as seems to be precisely the case of boutique, small luxury or design hotels.

Group 2: "Green" Hotels

The strategies generally adopted by the hospitality sector concerning the green marketing (Cronin, Smith, Gleim, Ramirez and Martinez, 2011; Ginsberg and Bloom, 2004) also called environmental or sustainable marketing do not constitute radical or disruptive innovations. The green marketing strategies in hospitality sectors restricting themselves to incremental innovations associated to initiatives of reinforcing company's image and brand– especially with regard to social-environmental accountability. So they can represent important strategies of image and market share protection for companies in the market maturity phase.

There are examples of differentiation and segmentation strategic positioning in the hospitality industry of all the four types of the Green Marketing Strategy Matrix proposed by Ginsberg and Bloom (2004). The

range of strategies that the authors classify are from the *Lean Greens* (good corporate citizens, but which do not associate their brand to the green marketing) to those of the *Extreme Green* (with the green marketing fully integrated into the company strategy). **In addition, using the typology proposed by Borges (2008),** positioning relative to the so-called “green marketing” range in the hotel industry from the *pragmatics* (limit themselves to meet the conservation needs of our times) to the *radicals* (reconcile the concepts of comfort and environmentally friendly by adopting from agreements to carbon emission reducing to unusual ways of energy reuse).

Borges (2008) cites the green lodging idealized model developed by *InterContinental Hotels Group* (IHG) and called “*Innovation Hotel*” (www.ihgplc.com/innovation) as an example of the extreme green/radical company strategy. This model includes from the use of solar energy collectors for water heating, use of wind energy, various recycled materials (for the windows and furniture, for instance) to the implementation of a rainwater collection system to be used in *toilets* (Powell, 2008).

Finally, the associations and non-governmental organizations focused on tourism and the environment protection are examples of strategies that can be also seen as part of this group of innovation. The IHG chain is also part of the Tourism Partnership Organization (www.tourismpartnership.org), which promotes the sustainable tourism concept and issued a guide called *Going Green*, with ecologically correct standards to be adopted by hotels. In a way, it is a model similar to the one adopted by the Green Hotels Association (www.greenhotels.com), established in 1993 with the goal of encouraging the responsible management of energy, water and recycling in the hotel industry (Borges, 2008).

This innovation group can be seen on the Moore’s type model as an enhancement (or on-the-edge) innovation. According Moore (2005, p. 67) this type of innovation continues the trajectory begun by the Line Extension ones, driving innovation into finer elements of detail and getting closer to the surface of the offer with less impact on the underlying infrastructure. The main goal of this innovation strategy is to improve existing offers in order to reawaken customer interest in what was becoming an increasingly commoditized segment.

Group 3: Feminine Hotels

Another trend in innovation that has been observed in the hospitality sector regards the offer of differentiated services for the feminine public. This form of differentiation is particularly focused on women who travel

alone, especially women executives travelling for business.

This innovation initiative range from the offer of women exclusive rooms in luxury hotels (e.g. The Premier Hotel Times Square, New York –<http://www.millenniumhotels.com/premierhotelnewyork/>) and floors in hotels with a more executive profile (e.g. the so-called “female-friendly” floors of some Crowne Plaza Hotels properties) to the first women-only hotel of the Middle East the *Luthan Hotel & Spa* (<http://www.luthanhotel-spa.com>), in Riad, Saudi Arabia (Ponchione, 2012; Blakeley, 2009; Finney, 2008, Anonymous, 2009).

All of the women-only or female-friendly hotels options claim for offering not only female-oriented amenities but safety and privacy for alone women through restricted access by programmed elevator or hall key cards and only female staff (from housekeeping to concierge services) for its exclusive rooms and floors. The feminine hotels group have opted for the adoption of creating innovation by combined differentiation and focus strategies. In this case, their aim is to penetrate and expand a new specific market segment: the feminine public and women growing presence in the labor force. This innovation group can also be seen on the Moore’s type model as an experiential innovation, which represents the ultimate refinement in the Moore’s proposed trajectory of customer intimacy, “where value is based not on differentiation the functionality but rather the experience of the offering” (Moore, 2005:68).

Group 4: “Techies” Hotels

Maybe the greatest current challenge to the hospitality industry is reflected in the fast technological advancement shaping the industry. They include the complexity inherent to investment decisions in new technologies to enhance the guest offering which can be perceived as differentials and value innovation by the customer.

Countless studies have contemplated innovations based on new applications of information and communication technologies (ICT) in the hospitality industry, including from online reservation and e-commerce systems applications to several specific *front office* and *back office* solutions (Orfila-Sintes, Crespi-Cladera and Martínez-Ros, 2005; Yu and Klement, 2006; Tseng, Kuo and Chou, 2008; Law, Leung and Buhalis, 2009; Paraskevas, Katsogridakis, Law and Buhalis, 2011). However, they represent more innovations in processes than in services, so being closer to those classified by Moore (2005) as (rise of) productivity and neutralization of competition innovations than exactly innovations that can create differentiation.

Hence the innovations highlighted in this group are restricted to those that use technology in order to create differentiated guest offers during his/her stay in the hotel. The cases included here adopt as differentiation factor the superior performance (*best-in-class*) (Schnaars, 1998) for guests who value new technologies intensive here called “*techies*” –and that in a way correspond to the consumer categories that Rogers (1971) identifies as innovators and early adopters. On the other hand, this strategy is according to one of the hospitality trends, which means to stop searching for customer segmentation based on price to segment customers by their attitudes and life styles.

One example is the use of test guest rooms or room labs (Atkinson, 2008). From the hotelier's viewpoint, they are marketing research tools that may help on the evaluation of what can or cannot “work” before the realization of the investment of large amounts of capital required to equip the entire hotel.

Atkinson (2008) mentions many examples of hotels that have already adhered to these practices, as *Marriot International* chain which has a test guest room in Newark-USA, in partnership with the University of Delaware. Here the company tests the customers’ acceptance level for technological novelties from everything ranging from waterproof mattresses or digital door displays (that allows guests see who is in the corridor), to the experimental technology of wireless electricity (no plugs) or a specially designed Nintendo Wii[®] game console for travellers.

One possibility for extending the “test scale” is exemplified by *Hyatt Corporation* hotels chain, which in 2007 launched the *Hyatt Place* (<http://www.place.hyatt.com/en/hyattplace/>). This *Hyatt’s* brand involved a research and development project in which the concept has been tested not merely in a test guest room, but in a complete test hotel in Scottsdale city, Arizona-USA (Atkinson, 2008).

Group 5: Fashion Hotels

Another innovation trend combining differentiation and focus strategy, observed at the upscale hospitality segment, adopts design and luxury as differentials. These hotels are known as fashion hotels (Kyriakidis, 2008).

The fashion (or fashionista) hotels distinguish themselves from the others by the association to iconic brands of the luxury consumer goods market. In this case, the strategic focus is in what the brand represents, not in its performance (Holt, 2003).

For many hotel operators, the greatest real value of the partnership with these iconic brands is on the innovation strategic significance and

not on their economic contribution (Kyriakidis, 2008). That is, it is an innovation that associates two niche markets: luxury and myths, taking advantage of the *superadoption* effect.

The concept appeared in the beginning of 2000's with the pioneer launching of the *Palazzo Versace Hotel* (<http://www.palazzoversace.com.au/>) on the Australian coast (Kyriakidis, 2008). Today there are at least two others iconic competing brands in this arena. They are Versace of Bulgari Hotels & Resorts (www.bulgarihotels.com) and Armani Hotels & Resorts (www.armanihotels.com).

Regarding geographical location, these ventures are concentrated in cities where the iconic brands have their greatest consumer markets such as Milan (main high-luxury goods industry world market), London, Paris and New York, besides cities representing the high-luxury market, mainly in the Middle East, as Dubai.

The strategy, besides reinforcing the power of the iconic brands, is at the same time especially adequate for the application of 'experience economy' (Pine and Gilmore, 1998) concept, through which the maximization of the customer experience is sought (Meyer and Schwager, 2007) adding to the luxury goods consumption a desired life style, by means of an anthropologic process of 'ritual action' with the iconic brand (Holt, 2003).

The business models adopted follow the innovation partnership models discussed by Andrew and Sirkin (2003), both through the partnership by (Kyriakidis, 2008) brand licensing (licensing model) e.g. between the *Rezidor Hotel Group* (www.investor.rezidor.com) and Missoni and by joint ventures (orchestrator model) e.g. between the *Marriot International* and Bulgari.

As foreseen by Kyriakidis (2008,) these innovation partnership strategies make shared gains possible for both partners. In the case of the hospitality sector, the additional value also becomes a contribution for the organizational learning and the development of their core competences.

As in the case of boutique and design hotels innovation group, the fashion hotels can be seen as an innovation combining differentiation and focus strategies, which uses at least three of the differentiation factors listed by Schnaars (1998). They are superior style and design, luxury services/products and exceptional service. Unlike the previous four innovation groups associated to the customer intimacy's zone in the Moore's category-maturity model (Moore, 2005), the fashion hotels represent examples of the hospitality sector innovation strategies related

to the operational excellence zone.

According to Moore (2005), the operational excellence zone focuses on differentiating on the supply side with a secondary focus on time to market and speed of adaptation, complementing the customer intimacy's zone focus on differentiating the offering on the demand side of the market. Taking the Moore's type model in consideration the Fashion Hotels can be classified as acquisition renewal innovation as these hotels try to solve the problem of category renewal externally – through brand licensing or joint ventures partnerships with the iconic brands of the luxury consumer goods market - as it represents a renewal strategy to the traditional high luxury hotels.

Group 6: Mixed-Market Hotels

The cases included in the mix-market hotel group are ventures that seek to develop new markets for lodging services, by offer associating with or embedding in other specialized services. In these cases the operational knowledge and core competence in other in non- hospitality sectors are incorporated into the mix of hotel services and products.

As well as the previous fashion hotels, the cases below represent examples of the hospitality sector innovation strategies related to the operational excellence zone. They are classified as: (a) integration innovation (Wellness & Beauty and Health & Aesthetics mixes); and, (b) value migration innovation (Real Estate mix) types.

(a) Health & Aesthetics Mix:

It is an innovation that has gradually been incorporated by the hotel chains worldwide and that follows a new modality of tourism called by some authors as medical or health tourism.

Although the idea of travelling to seek medical treatments is not new, the novelty is on the globalization concept of medical services and in the appearance of a new market directed to render this type of service in less developed countries, which offer medical services (especially surgeries, such as cardiac and plastic ones) and also dental services of recognized quality, but of a much lower cost than these services are offered in richer and more developed countries (Dunn, 2007; Lagace, 2007).

Hoontrakul (2004) classifies this new modality as credence goods hospitality. This term comes from the economics and designates a consumer goods specific category whose utility impact is hard or impossible to evaluate by the consumer himself. Hence only an expert (e.g., a physician) can attest its quality attributes.

This form of innovation can be classified as Integration innovation type on Moore's typology (2005, p.69) since according to the author this group "reduces the customer's cost of maintaining a complex operation by integrating its many disparate elements into a single centrally managed systems" just as the case of integrating hospitality, health and aesthetics services.

The Medical Tourism issue is as complex as instigating, but a more detailed discussion is outside the scope of this paper. But it is important to mention Health Tourism as an opportunity for innovation that can also generate positive impacts for the hospitality segment, both as partner and as integrator of the concept in the tourism market. In conclusion, Health & Aesthetics Mix innovations can be an excellent market expansion strategy for companies operating in mature markets as in the case of the hospitality industry.

(b) Wellness & Beauty Mix

The cases included in this innovation group are named spa-hotels or spa-resorts. Its differentiation strategy is enhanced by changing the original hotels business model itself and the service scope of the new mix. That is, the enterprises of this group are more properly viewed as spas that also offer hosting for customers than as hotels that count with spa services for guests.

Mueller and Kaufmann (2001) point to the need of differentiating between health and wellness tourism segments which have to be considered separately when deciding on the marketing strategy. For those authors, wellness tourism is regarded as a subcategory of health tourism which requires the offer of a comprehensive service package comprising physical fitness or beauty care, healthy or diet nutrition, relaxation or meditation and mental or education activities.

One example of innovation strategies that can be classified in this group is the Anantara Spa (<http://spa.anantara.com>) which are located in Thailand, Maldives, Indonesia, China, Tanzania, United Arab Emirates and Jordan. Opened in 2008, the Anantara Spa at Kempinski Hotel Ishtyar, Jordan, on the shores of the Dead Sea, contains 20 spa suites and is the largest spa in the Middle East.

One possible alternative to companies that want to adopt the innovations strategies included in this group is to opt for alternating its business model according to the seasonality, operating at times as a spa clinic while others as a hotel only. The Health & Aesthetics mix, as an innovation subgroup of the proposed mixed-market hotels, can also be

classified as Integration innovation type on the Moore's typology (2005). In this case, the hotels integrate hospitality and wellness services offers into their hotel services.

(c) Real Estate Mix

This hybrid business model combines real estate and hospitality industry sectors. They emerged initially in urban areas through the provision of the apart-hotels (also called apartment hotels, aparthotels or flats). More recently they expanded with the offer of so-called condominium hotels or resorts located in rural or coastal areas.

The apart-hotels appeared in urban areas and are serviced apartment complexes that use a hotel-style booking system while the condo-hotels or condo-resorts (hotels or resorts in condominium) are typically high-rise buildings developed and operated as luxury hotel chains (Biselli, Sugiyama and Paim, 2007), usually in major cities and resorts.

There are different international hotel chains operating real estate partnerships as *Hyatt Corporation* which entered the vacation ownership industry in 1994 through the Hyatt Residence Club (<http://www.hyattresidenceclub.com>). Nowadays this division of the Hyatt Corporation operates fifteen projects located in the United States and Puerto Rico and plan to have 22 units of this brand in Latin America in operation until 2016, including the recent launching the Grand Hyatt Residences Rio de Janeiro, in Brazil.

Warnken, Guilding and Cassidy (2008) proposed that this group enterprises' be called as multi-titled tourist accommodation (MTTA) complexes due to the diversity of formats that have proliferated throughout the world. Different from the previous two subgroups of the proposed mixed-market hotels, the real state mix hotels can be seen as examples of the value migration innovation suggested by Moore's typology. According to the author (Moore, 2005, p.69) "this type of innovation consists of redirecting the business model away from a commoditizing element in the hotels market's value chain toward one richer in margins", as is just the case of real state.

4. CONCLUSIONS

Tourism is one of the economic sectors that has experienced considerable worldwide development in the last several years. As such it provides opportunities for sustainable economic development.

Considering the mature life-cycle stage of the hospitality segment, the strategy of seeking innovation alternatives of the services rendered to its customers is of vital importance. Innovation attempts not only to

guarantee a company's survival and profitability in the face of increasingly tough competition, but also the revitalization of the sector as a whole.

The real cases illustrated in this paper show that there are innumerable innovative alternatives that can be adopted by the companies. In addition, it suggests that deeper academic studies about the theme could help managers of the hospitality sector to formulate creative strategies in pursuit of sustainable competitive advantages, even in a highly competitive and seasonal sector as the one of tourism.

The examples of innovation alternatives illustrated in this paper in the hotel sector can conceptually be divided into six different groups. They are: boutique or design hotels; fashion (or fashionistas) hotels; feminine hotels, “green” hotels, “techies” hotels, besides a last group that represents creation of new hospitality markets (or mixed-markets) and includes initiatives involving partnerships with the sectors of health, aesthetics, wellness, beauty and real estate.

The discussed innovations refer to those that Moore (2005) classifies as differentiation and tend to result in better economic investment returns, even in a highly competitive and seasonal sector as the one of tourism. Each innovation group is classified according to the identification of the adopted base factor of the differentiation proposed by Schnaars (1998) and of characteristic aspects suggested in Moore's category-maturity model (2005). These categories are: priority core competence, value discipline (or innovation zone) and innovation type in the market development life cycle maturity and decline stages.

One suggestion to future researchers in further developing this research stream would be to include primary survey data or annual report data related to compare the return on investment in these cases. In order to seek to better understand the details involved in each innovation type, the development of case bound qualitative research projects would also be useful as well. For example, developing exploratory case studies involving the innovation types with the greatest potential for specific countries or geographic regions would be to validate the classification of these cases as real innovations by their point of view.

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A Case Study in Disruptive Technology Innovation and Tourism: City Corridor and Charles

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Abstract: *Disruptive innovation is described as innovation that creates an entirely new market through the introduction of a new kind of product. Christensen (2012) goes on to further differentiate transformational disruptive innovations as those that create a totally new product or service that customers will want before they even know it. This case study documents a small tech start-up that has possibly done just that. Drawing from Dyer, Bregersen and Christensen (2009) skills of innovators, this case study attempts to document the steps taken by the innovators of Charles, an interactive digital concierge kiosk launched recently, that has shown potential in reinventing the way tourism businesses reach and engage in commerce with tourists while at their destination. It is our hope that this descriptive case will not only validate the merging literature on innovation but invite would-be entrepreneurs to replicate the about approach in their attempt to identify and develop viable business enterprises.*

Keywords: Disruptive Innovation, Transformation Innovation, Advertising ROI

Introduction

The method by which a small start-up business leveraged itself to a position of initial success indeed merits assessment. This case study outlines the "job-to-be-done" by several would-be entrepreneurs that were derived from a creative process proposed by Dyer, Bregersen and Christensen. (2009) involving:

- Associating, or developing the ability to successfully connect unrelated questions, problems, or ideas from different fields and bring them to bear on a job-to-be-done
- Asking provocative questions that were focused on how to make the status quo better or more effective, efficient, and accountable
- Observing and experimenting by intentionally looking for small behavioral details of customers and engaging in experimentation; and
- Networking or devoting time and effort in finding and testing ideas through a network of diverse people in order to gain a new perspective on a problem.

It is our hope this descriptive case will not only validate the merging literature on innovation but invite would-be entrepreneurs to replicate the about approach in their attempt to identify and develop viable business enterprises. We contend that innovation drives competitiveness and that the tourism industry is no different from any other in its pursuit of innovative means to effectively reach the consumer for the lowest possible investment.

As technology evolves and becomes more sophisticated, the sales and marketing options available to organizations provide an ever-increasing range of cost and delivery method for reaching the consumer. Kanso and Nelson (2004) define traditional media by the core characteristic of mode of information transmission, which in print and [static] electronic media is different from that of the internet. Although traditional media advertising seems to be declining, studies show that such advertising does not conflict with promotions using other media (Dertouzos and Garber, 2006; Vakratsas and Ma, 2005).

This is because different media create different advertising effects due to their various communication characteristics. These effects generate different levels of influences on product sales (Dertouzos and Garber, 2006; Vakratsas and Ma, 2005). While brochure racks are still a common sight; digital signage, online marketing tools and information kiosks have become essential tools to most service providers seeking to diversify their advertising portfolio and market exposure. The various methods available each have their strengths and present unique opportunities to reach different market segments that might otherwise go uninformed.

The search for a new method of reaching the customer became the genesis for an innovative tourism technology solution in Charleston, South Carolina, USA. Several local entrepreneurs began with a simple concept in mind. Their initial goal, to use digital signage in a new and unique way to reach the customer, quickly morphed into a much more robust solution. The system called "Charles" is a free-information device for the visitor that offers everything found in a kiosk of brochures or a visitor's guide with an added amenity. Visitors can buy their tickets to an attraction and print them out with directions on the spot and the machine includes a secure credit or debit card reader (Wise, 2010). In fact, many of the innovative features on both the front-end and back-end design of the Charles unit provide vendors and visitors alike with a new type of service experience.

Methodology

As previously mentioned, the creative process which leading

entrepreneurs use to address the "job-to-be-done" often involve five unique skills. According to Dyer, et. al (2009) they involve the skills of associating, asking provocative questions, observing and experimenting, and networking. Through in depth interviews with the creators of Charles, we have attempted to address where and how each of the skills were employed in the development process in an attempt to document the innovators skills at work.

Associating

It is recognized by both tourism researchers and practitioners that part of a successful leisure travel experience is often the sense, for the tourist, of relative freedom of choice, open-ended exploration (Crompton, 1979) and autonomy over the travel episode (Moore, Smallman, Wilson and Simmons, 2012) Charles is designed to meet this need. During the initial research phase of their business concept development, the developers behind Charles managed to associate a number of key variables and needs which would eventually be satisfied by the Charles digital information kiosk. By chance, the features that emerged from the associations being made and questions being asked began to address a number of uniquely tourism industry-related needs that were not being met in any single solution at the time.

With origins in digital signage and software development, Chad Priest and Caleb Yaryan (City Corridor COO and CTO respectively) had no experience in hospitality or tourism. Their collaboration had been directed at a digital signage solution that had no roots in the tourism industry. Attending a digital signage convention in Las Vegas, NV in 2010 showed them some interesting technology demonstrations, innovative designs and unique solutions; but not the finished product solution they were seeking.

After considerable research effort into their original concept, the two entrepreneurs began to formulate an entirely different solution altogether. It was during a foray on a downtown trolley bus designed for tourists that the idea first began to take shape. The idea originated after seeing a brochure rack in a downtown hotel lobby during a stop along their route.

Ask Provocative Questions

Seeing the outdated advertising display brought questions. Chad and Caleb sat down with a business associate and local Charleston, South Carolina tourism entrepreneur to discuss the idea. The associate shared his average cost for maintaining print brochures, at the time around \$30,000 annually. When asked about the return on investment or effectiveness, he acknowledged that he could not provide any solid

evidence of either. Needs were discussed. All businesses want to generate sales and advertising and exposure are important tools to meet this end. Businesses in today's hyper-connected economy need versatility and the ability to adapt and manage their advertising and sales efforts up to the minute. The tourist business owner needed to maximize his marketing effect with minimal cost while maintaining flexibility, controlling inventory and targeting specific audiences.

The Charles founders began to consider the target audience. Visitors and tourists need information and often seek validation for advice they have already received. In a study performed by Moore et. al. (2012), tourists showed a strong tendency to seek out personal advice from whomever was immediately available. This included seeking advice from other tourists, local residents, accommodation personnel, front-line staff at i-sites, etc.

The advice tourists sought served two basic functions: to inform about activities or accommodation or to receive reassurance that a contemplated decision was a 'good' one. In this way, the context of social inputs into decision-making also interacts with non-social information sources (e.g., guide books, brochures, websites [or information kiosks]). The information in such sources was often tested against the advice of others. Tourists actively 'probed' and interacted with their immediate social environment to carry out a process of adjustment and refinement of decisions and actions. A special case of this interaction was a tendency to rely on Internet sources based on the opinions of other travelers (Moore et. al., 2012).

Based on the analysis and the identified contexts of decision making, Moore et. al. (2012) isolated three dimensions that, together, help to explain most of the data on decision-making reported above: (in) flexibility, timing/location, and social composition. In particular, the dimension of social composition describes not only the tendency to involve various members of a travel group in a decision, but also the tendency to include and seek out the input of immediate 'others' in the decision. These others might include non-social information sources.

The decision process and sequencing is understood as a function of the three basic dimensions of (in) flexibility, social composition of the decision and the timing or location of a decision (e.g. 'Off-site vs. On-site') (Moore et al., 2012). Much work on tourist decision-making in this vein has adopted a model of tourists as rational decision-makers engaged in a motivationally-driven process of searching for an efficient means of satisfying desires and needs in relation to travel (Um & Crompton, 1990; Woodside & King, 2001). The information provided in a hotel lobby,

whether by accommodation personnel or via non-social information sources, is often able to efficiently meet the needs of visitors faced with schedule restraints or those simply looking for convenient information or validation of facts that have previously been gathered.

The three entrepreneurs (e.g. Lasch, Priest and Yaryan) formed City Corridor and began development. These founders observed the needs of visitors and the needs of the businesses serving those visitors. Given the source of their inspiration, they also realized the enormous potential in serving tourism consumers in the most convenient locations possible: hotel lobbies and visitor information centers that are operated by destination marketing organizations (DMO) or convention & visitor bureaus (CVB).

What evolved from the process is a unique combination of solutions that served both the customer and the service provider equally. The solution is a system that allowed for maximum, real-time control of advertising content in a format that engages the user and offers the ability to begin and end the sale in a single transaction. The concept provides convenience and provable results in a new design that capitalized on current technology trends, such as tablets, and the need for businesses to 'prove in' advertising and marketing effectiveness in order to justify the budgetary expense. In the process, the unit would become an additional amenity for host organizations.

Observations

There are indications that there may be a 'hierarchy' of tourists' decisions during a trip, ranging from relatively planned and early decisions, through 'looser' sets of decisions to almost entirely unplanned, 'spontaneous' decisions (Becken & Wilson, 2006). Gunn (1979, 1988) too pointed out the distinction between primary, secondary and tertiary attractions, which were determinative of going to a destination (primary), [what is] on the known list of 'to do's' at a destination (secondary) and [what is] encountered at a destination (tertiary). Charles gives the service provider (and host organization) a means to encounter a visitor at the key decision-making moment. The unit provides a unique advertising vehicle for reaching tourism consumers at a convenient opportunity during a visit, making the most of the tourists' propensity for unplanned, spontaneous decisions.

Decrop (1999) notes that tourist decisions are often relatively unplanned, hedonic, opportunistic and impulsive [which] characterizes tourists' behaviors on-site within a destination. Charles is designed to be much more than a next generation information kiosk. In addition to the added ability to complete a transaction in a single interaction, Charles has

numerous other features designed to benefit tourists, vendors, and hosts alike. The host organization (generally a hotel) benefits from the alleviation of guest service staff demand. The units also enhance the guest experience by providing an alternative to either person-to-person transactions, in the event of a desire to avoid social interaction, or to the possibility of a wait as a service transaction is completed between the service personnel and another guest.

Additionally the kiosk differentiates a host organization by providing a unique service that adds value to the guest service experience. The design, software and service platform are all unique to Charles and have all been developed and integrated into a single innovative service unit by City Corridor's founding partners. The end product represents a major achievement in simultaneously answering the needs of both service providers and service consumers.

Traditional media such as print and electronic media often consumes organizational budgets with little or no recourse for reporting return on investment or advertising effectiveness. Kanso and Nelson (2004) define traditional media by differentiating the transmission mode of print media and electronic media from that of the Internet. In a study performed by Huang (2012) most companies allocated their marketing budget primarily to traditional media, followed by online advertising and electronic word-of-mouth. However, Huang (2012) found that the allocation of such budget percentages did not result in a corresponding marketing effect. Within the framework of the theory of response, there are attempts to establish a relationship between total advertising and total response. This becomes particularly challenging when there are mediating variables that distort the assessment of the effectiveness of advertising (Kim et al, 2005).

Additionally, Tellis (1988) argues that the effects of advertising, in particular, repetitive advertisement exposure, are generally nonlinear and the impact on volume purchased is difficult to measure because of the influence of other variables. The ability to generate and monitor real return on investment with distinguishable sales and exposure reports is valuable to an organization with a limited marketing budget. It is crucial that return on investment (ROI) is measured to assess the efficient use of resources (Williams and Spencer, 2010). Greater knowledge about the effectiveness of different campaigns or types of marketing could help businesses to tailor their products, adapt their campaigns, identify relevant target markets, and potentially achieve greater benefits from marketing expenditures (Pratt et al, 2010).

It is also worth noting that traditional forms of media are developed in

a static context in that the information being conveyed is set and not easily updatable. In contrast to traditional media, online advertising [identical to the advertising functionality available via Charles] is not restricted by time or space. Online advertising can be interactive; in other words, online advertisements make it possible for consumers to purchase or experience products at any given time (Huang, 2012). Charles provides an on-site interactive experience for tourists and visitors staying in local hotels or visiting the area convention and visitor bureau. The ability to interact with and engage Charles pulls in the user and initiates an encounter that is both dynamic and informative, it also provides the exact same experience as interactive online advertising in that the consumer can purchase the product at any given time directly from the kiosk.

Experimentation

The true innovation of Charles is in the combined services and back end features offered via a single kiosk and aggregated via the cloud-based network which oversees the entire deployment. The back-end of the custom-built Charles system is cloud-based and end-users have online access to user-friendly content management and reporting tools. The fully automated management portal gives vendors the ability to dynamically place advertising, track inventory, and access the real-time viewership and demographic analytics driven by the Intel AIM Suite (Intel, 2012). Businesses utilizing Charles can track audience demographics based on gender, age range and viewership based on impressions, dwell time and interactions by location. They also have access to real-time sales figures and detailed usage reports.

Unlike other kiosks, Charles is backed by a scalable cloud-based architecture coupled with a user-friendly vendor management portal, giving advertisers access to innovative reporting tools needed to get the most out of network implementation. Advertisers and vendor partners have the ability to instantly change or schedule content to upload and distribute via the cloud. Businesses can dynamically present relevant, hyper-local content to a target audience anytime, anywhere based on pre-defined success variables. Available inventory can be managed via the centralized web-based dashboard. The systems easily enables monitoring of network health and performance metrics, access to notification services and event management, real-time analytical feedback about the audience and in-depth reporting from a single dashboard in the management portal (www.citycorridor.com).

The founding partners are still experimenting with the final product. While business has been good so far and the initial product launch has been successful, they are aware of the need to constantly scrutinize the

product with an eye for improvement. A recent collaboration with the College of Charleston Hospitality and Tourism Management Department was targeted at fine tuning the machines performance and experimenting with vendor content to determine effectiveness. Students were asked to poll users, non-user visitors exposed to the product either in their hotel or at the visitor center, host hotel service personnel, and to use the kiosk themselves. The collaborative results from these interviews and experiments informed the entrepreneurs as to where possible improvements could be made.

City Corridor worked with the students to implement their suggestions. Several student teams were provided unique access to City Corridor's Charleston, South Carolina inventory via the Mix Panel analytics portal used to collect, aggregate and analyze data captured on each machine. Several of the resulting suggestions and subsequent changes were beneficial to City Corridor in making design and performance tweaks in the following months. For example, new verbiage and security messaging was added to the unit content based on the research performed via the College of Charleston hospitality management students. This includes the traditional major credit/debit card provider logos as a seal of approval.

This kind of continued experimentation exemplifies the entrepreneur's dedication to processes and values that support sustained innovation. Disruptive innovations create an entirely new market through the introduction of a new kind of product or service, one that's actually worse, initially, as judged by the performance metrics that mainstream customer's value (Christensen and Overdorf, 2000). In light of this definition, a smaller company such as City Corridor is actually more capable of pursuing disruptive innovations.

Start-ups lack resources, but that doesn't matter. Their values can embrace small markets, and their cost structures can accommodate low margins. Their market research and resource allocation processes allow managers to proceed intuitively; every decision need not be backed by careful research and analysis. All these advantages add up to the ability to embrace and even initiate disruptive change (Christensen and Overdorf, 2000).

Networking

While still in development, the founding members of City Corridor began networking with leadership in the CVB and other local Charleston hospitality industry leaders. The CVB director immediately saw the potential of Charles and entered into a partnership with City Corridor. With the CVB on board, City Corridor deployed approximately 50 units

across the metro area in early 2012.

The relationship with the CVB is a contractual partnership which places the CVB in charge of sales and deployment locations. Meanwhile City Corridor operates and manages the units and the back-end, proprietary software that drives the network. The development of this partnership allows City Corridor to focus on their product and performance while the CVB does the work of negotiating partnerships with local businesses and hotels.

Under these auspices, City Corridor receives a guaranteed monthly rate for the lease and maintenance of a given number of kiosks. The CVB then develops individual contracts with local advertising vendors based on their overall presence and their usage of available sales and inventory management features. It also works with local hoteliers to place the machines in hotel lobbies throughout Charleston and its surrounding area.

The CVB retains the difference between the cost to lease and maintain the unit per month and the monthly fees passed on to vendors. This methodology creates a mutually beneficial relationship that encourages the CVB to approach and involve local vendors in an advertising contract and still provides City Corridor with ample return on investment so they can focus on further deployment in additional markets. While this arrangement is working well in Charleston, City Corridor remains flexible in deploying their technology solution in other markets.

Each contract and partner is unique to the specific market but generally City Corridor approaches local visitor bureaus or chambers when possible. City Corridor prefers to partner with local chambers or visitor bureaus to gain much needed visibility and access across a broad spectrum in any developing market. The actual terms and partner choice depends on the local business community and the relationships that can be established and supported by a potential partner.

Since visitor bureaus and chambers are organized and funded differently across the nation, City Corridor attempts to understand this dynamic before moving forward in a prospective market. They have found that the units often bring visibility and exposure to partner entities. Ultimately the relationship is built on determining a potential partner's goals and trying to facilitate those needs through the relationship. The Charles units provide a physical presence for potential partners without the investment in brick and mortar facilities - a presence that is immediately accessible to visitors and the local tourism community at a very low investment cost.

The end goal of any partnership is additional exposure and mass

deployment in any newly developed market. The ability of the unit to provide value to vendor partners is dependent, at least in part, on the ease of access and frequency of viewership by local tourism consumers. Since its original deployment in Charleston, South Carolina, USA, City Corridor has deployed in Hilton Head, South Carolina in December 2012 and recently signed a contract with New York City & Co. to deploy units in New York City in the near future.

City Corridor is actively pursuing contracts with other South Carolina markets as well as organizations in other U.S. states. As this new technology becomes more familiar to tourism consumers across the nation through expansion into new and larger markets the likelihood of continued success increases. City Corridor hopes to continue expanding the services they provide, the methods in which they provide them and the markets in which units will be available.

Results

The Charles units are strategically placed in area hotels through existing relationships the local CVB maintains with local hoteliers. Hotels and the local CVB currently [also] sell vouchers to attractions, but they cannot guarantee availability. The [Charles] concierge unit will let tourists know when a tour boat is sold out or a dinner reservation is available (Wise, 2010). The kiosks will also provide customized directions from the kiosk location to venues, attractions and restaurants featured on the kiosk. It even offers up-to-date departures and arrivals at the local international airport. And these are only a few of the key features of the Charles units.

The units are approximately 8 feet tall and feature large flat panel displays, 1080 pixels wide and 1620 pixels high, with touchscreen capabilities, and a small sensor embedded at the top of the station. That sensor is used to send data to Intel's AIM Suite for real-time face pattern detection and analysis while maintaining the user's privacy. Where most interactive tourism kiosks can only report how many times they were used and what people looked for, City Corridor is using the Intel AIM Suite's



(photo of actual unit placed in hotel lobby)

capabilities to develop a much richer demographic profile of users, as well as how the stations are used (Intel, 2012).

Each kiosk [is] set up to give directions from its location, so one set up in a hotel in downtown area will give directions from that specific site in the downtown area to the attraction, restaurant or entertainment venue (Wise, 2010). Hotel concierges, front desk staffers and the people working at visitors centers are often busy, and can't possibly stay on top of all the options available to visitors. The availability of a widely deployed, user-friendly visitor information tool that can distribute accurate, engaging information on demand is a meaningful solution to the demand issues often experienced in the service industry.

But such a tool also has to have a business rationale. The Charles station developed by City Corridor not only makes area visitors aware of attractions, shops and dining options, it is designed specifically to drive business. The units have built-in magnetic strip readers to take credit cards (and loyalty cards and hotel keycards if enabled) and printers that let customers instantly take away ticket vouchers, restaurant confirmations, directions, and more (Intel, 2012).

Conclusion

Charles represents a completely new and innovative brand of tourism technology. Previous generations of kiosks might have provided some portion of the services offered via Charles but the additional features combined in the City Corridor unit bring new questions to the forefront. With the capability to book reservations and make purchases, the issue of trust becomes immediately apparent. In the aforementioned College of Charleston project, an overwhelming theme of lack of trust surfaced. While much of previous online trust research focuses on trusting websites, another important aspect of online trust is interpersonal trust in computer-mediated communication (Gretzel and Yoo, 2010).

Providing credit or debit information at a kiosk is a relatively new experience for most travelers and the unfamiliarity of the Charles units also heighten most users concern over the safety and security of using an unfamiliar machine to process their transaction information. Additionally, in some cases, host accommodations personnel expressed a lack of trust in referring visitors to Charles and in relying on the kiosk to provide customers with the best information available (information obtained in research interviews by C of C students, 2012).

The Cheskin/Sapient Report (1999) focused on website interface cues that influence online trust and presented a model of six building blocks of online trust: 1) Brandthe importance of a company's reputation

in the choice to do business with them; 2) Navigationthe ease of finding what the user seeks; 3) Fulfillmentthe process the user experiences from the initial visit throughout the transaction; 4) Presentationways in which the appearance and behavior of the site communicate meaningful information; 5) Technologyways in which the site functions; and, 6) Seals of Approvalsymbols that represent the companies that specialize in assuring the safety of online sites.

While research on credibility and trust in the use of kiosks is relatively undeveloped, numerous studies have been performed to analyze user trust in internet or web based transactions. Since Charles units are employing web-based technology to process transactions and the user interface mirrors that of a tablet-style device, the implications of this research can be applied to user interactions with Charles units. Numerous studies point out that online trust is a critical factor in stimulating purchases (Jarvenpaa et al., 2000; Quelch & Klein, 1996). Bart et al. (2005) found online trust to impact web shoppers' behavioral intentions to purchase. Additionally, online trust has been shown to significantly influence web user behaviors (Gefen, Rao, & Tractinsky, 2003; Jarvenpaa & Tractinsky, 1999). Fogg (2003) identified credibility of websites as an important factor influencing their persuasiveness.

City Corridor has worked to leverage their relationship with the CVB in Charleston, SC to provide some brand recognition as the basis for trust in the units by host organizations. City Corridor routinely reaches out to these organizations to provide information and solicit feedback in an attempt to further strengthen the trust-bond between organizations. It is often necessary for hotel and CVB employees to vouch for or validate the information provided via Charles. This behavior reinforces the findings of Moore et. al. (2012) who found that visitors and tourists need information and often seek validation for advice they've already received. And, that tourists showed a strong tendency to seek out personal advice from whomever was immediately available.

City Corridor anticipates increased exposure over time and an expanded national presence will help mediate this issue. Additionally, as previously mentioned, new language and security messaging has been permanently added to all units based on the results of the College of Charleston student research efforts. This additional content attempts to address and assuage user concerns over transaction security. As with any new transformational disruptive technology, the Charles unit cannot continue to be disruptive and City Corridor will need to consistently reevaluate their product and service offering in order to remain unique and valuable to the tourism market.

Besides developing new markets and potential partners, City Corridor is also considering the future of their product and possible expansion to their service portfolio. Among the considerations are plans to explore a viable mobile presence as well as the possibility of an integrated web portal that mirrors the Charles units. While both mobile and an online presence are becoming must-haves in business, the City Corridor leadership wants to ensure either solution is a good fit for their organization.

City Corridor created an innovative new product that anticipates tourists needs and engages customers in transactions that have the potential for transaction completion. It also has the potential to provide real value to the vendor partners advertising on the units, to the host organizations where the end units are located and to the destination management offices (DMO) in partnership with City Corridor. The Charles product innovatively answers each of these constituent groups' problems with a single solution that, to our knowledge, has never before been considered or attempted.

By following the job-to-be-done principle espoused by the five innovator's DNA skills (Dyer, et. al., 2009), these entrepreneurs have developed an innovative new product that meets the needs of various inter-linked constituent groups. Charles provides needed services to each group in new and unique ways that have not previously been explored. The City Corridor founders realized the need, tuned in to the lack of existing innovative solutions, and began formulating a relevant and unique solution to the problem. Ultimately the true innovation is in the combined use of touch screen technology, optical tracking advances, GIS and printing capabilities, and integrated back-end analytical software to service both the customer and the vendor partner while adding value to a host organizations' service portfolio and ensuring a mutually beneficial partnerships with local area DMOs.

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Tourism Destination Competitiveness: The Impact of Destination Resources, Support Services and Human Factors

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Abstract: *This paper seeks to investigate the determinants of tourism destination competitiveness in a developing country. The paper examines the influence of destination resources, support services and human resources on the competitiveness of Zimbabwe as a tourism destination. A sample of 123 tourism business operators was surveyed. Multiple regressions were used to investigate the relationship between destination resources, support services, human resources and destination competitiveness. Destination support services and human resources related factors were found to be the primary determinants of destination competitiveness; destination resources were the secondary determinants. Implications of the study results are discussed.*

Keywords: destination competitiveness, destination resources, support services, human resources

Introduction

The global trends towards expanded market access compel developing destinations to increase efforts to improve the level of their competitiveness in all areas of economic activity. The tourism industry is widely recognized as one of the key engines of growth in developing countries, representing a significant source of foreign exchange earnings

and employment. The importance of the tourism industry to developing countries, therefore underscores the need for a greater understanding of the nature of tourism destination competitiveness (Craigwell, 2007).

There are many definitions and measures of tourism destination competitiveness; most of which are related but each takes a different viewpoint on the subject and emphasize different factors depending on the context. For example, while economists are interested in the price competitiveness of the destination economy, sociologists focus on social and cultural characteristics underlying the notion of competitiveness. While managers and strategists focus on firms' specific characteristics, business owners are concerned about the ability of their enterprises to compete in specific markets. Each group suggests different indicators to explain competitiveness and factors influencing it.

Numerous models (e.g., Ritchie and Crouch 2003; Dwyer and Kim, 2003) are developed to integrate all the factors that determine destination competitiveness. However, the fully integrated models are not practical as appropriate proxies for some factors are not always available, especially for developing countries (Craigwell, 2007). The World Tourism and Travel Council's (2006) framework which suggests eight different indices, each focusing on a different aspect of destination performance and the operating environment for tourism enterprises and activity, is also not appropriate as many of these indices have limited practical applicability to developing destinations and therefore are of little use to most stakeholders at these destinations.

The existing study attempts to identify main factors influencing tourism competitiveness of a developing country. The study attempts to group these factors into broad categories that destination managers could use to prioritize the allocation of their resources and develops testable models that show which group of factors is important in influencing destination competitiveness, how much each group adds to explaining destination competitiveness and which should be given priority in destination development.

Literature Review

Tourism destination

Traditionally, destinations are regarded as well-defined geographical areas, such as a country, an island or a town (Hall & Shelby, 2000) divided by political barriers. The Think Tank of the World Tourism Organization defines a destination as *a physical space that includes tourism products, such as support services and attractions, and tourism resources. Every destination has physical and administrative boundaries that define its*

management, images and perceptions that in turn define its market competitiveness. Destinations also incorporate various stakeholders, including a host community (World Tourism Organization, 2003). Tourism destinations appear at various levels, ranging from local and regional to large geographical areas made up of a variety of different products.

Most destinations comprise six components (called the six As), such as a) attractions (natural, man-made, artificial, purpose built, heritage, special events); b) accessibility (transportation comprised of routes, terminals and vehicles); c) amenities (accommodation, catering facilities, retailing, other tourist services); d) available packages (pre-arranged packages by intermediaries and principals); e) activities (what consumers do during their visit at the destination); and f) ancillary services (services used by tourists such as banks, telecommunication, post, newsagents, hospitals, etc.) (Buhalis, 2000). Cooper, Fletcher, Gilbert, Shepherd and Wanhill (1998) define destinations as the entities consisting of facilities and services designed to meet the needs of the tourists.

Competitiveness

To compete means to strive for superiority and being better than others. Although the concept appears to be simple, the difficulties arise when it comes to its measurement, the unit of analysis and the perspective of the analyst. Competitiveness is a relative and multidimensional concept (Scott and Lodge, 1985). Competitiveness can be examined at the micro and macro-levels. On both the micro and macro levels, firms and nations face very different challenges and priorities as they move from resource-based to knowledge-based economies. The major factors that contribute to competitiveness differ depending on various types of economies and their levels of development (Porter et al., 2001).

National competitiveness refers to a country's ability to create, produce, distribute and service products in international trade while earning rising returns on its resources (Scott and Lodge, 1985, p.3). Newall (1992) defines national competitiveness as production of more and better quality goods and services that are marketed successfully to consumers at home and abroad. National competitiveness leads to well paying jobs and the generation of resources required to provide an adequate infrastructure of public services and support for the disadvantaged (Newall. 1992). National competitiveness provides a high and rising standard of living and is the key to national prosperity. Also, "a competitive economy is one that exports goods and services profitably at world-market prices (The Economist, 1994, p.17). It often refers to "the degree to which a country can, under free and fair market conditions,

produce goods and services which meet the test of international markets, while simultaneously maintaining and expanding the real incomes of its people over the long-term. Thus, for a country, competitiveness means “the ability of a country or company to proportionally, generate more wealth than its competitors in world markets” (The World Competitiveness Report, 1994, p.18). For a society, competitiveness translates into new jobs and better living conditions. For a company, competitiveness means the creation of new growth and value for shareholders, and achieving superiority which results from positional advantage (Day and Wensley, 1988). Competitiveness is now widely accepted as the most important factor determining the long term success of firms, industries, regions and countries (Kozak & Rimmington, 1999).

Tourism destination competitiveness

The concept of tourism destination competitiveness has generated a significant interest in the tourism literature (e.g. Goodrich, 1977; Heat and Wall, 1992; Ahmed, 1991; Haahti and Yavas, 1983; Pearce, 1997). Destination competitiveness seems to be linked to the ability of a destination to deliver goods and services that perform better than in other destinations and to offer better tourism experiences. Destination competitiveness is defined as the ability of a destination to maintain its market position relative to its competitors (Hassan, 2000; Craigwell, Worrell and Smith, 2006) and share and /or to improve upon them through time (d'Hartserre, 2000). Hassan (2000) describes destination competitiveness as its “ability to create and integrate value-added products that sustain its resources while maintaining market position relative to competitors” (p. 240).

Dwyer (2001) reports that the ultimate goal of competitiveness is to maintain and increase the real income of citizens, usually reflected in the standard of living of the destination. Buhalis (2000) and Crouch and Ritchie (2000) suggest that the most competitive destination is one that brings prosperity or the most well-being for its residents. Hassan (2000) argues that destination competitiveness is a function of its sustainability and responding to the concern for environmental degradation. Poon (1993) suggests that destinations must follow the environmental principles if they are to be competitive. Crouch and Ritchie (2000) note that in order to be competitive a destination's development must be sustainable, not just economically, ecologically but also socially, culturally and politically.

Crouch and Ritchie (2000) also argue that destination competitiveness involves a combination of both assets and processes where assets are inherited (natural resources) or created (e.g.

infrastructure) and processes that transform assets into economic gains (e.g. manufacturing). Hassan (2000) proposes four determinants of destination competitiveness: a) comparative advantage (all factors associated with both the macro and micro environment that are important to market competitiveness; b) demand orientation (the destination's ability to respond to the changing nature of the market demand); c) industry structure (existence or absence of an organized tourism-related industry); and d) environmental commitment (the destination's commitment to the environment).

How do tourism destinations compete with each other?

Tourism destinations compete with each other by differentiating their amenities and services. Most tourism destinations claim to have superb five-star resorts and hotels, excellent attractions, unique culture and heritage; many describe themselves as having the friendliest people and the most customer focused tourism industry (Morgan, Pritchard, & Piggott, 2002b). However, the promises of quality product and service excellence are no longer effective in differentiating one destination from the other (Morgan & Pritchard, 1999; Morgan et al., 2002b). In order to make tourism a more profitable industry in the long term, its developers and managers follow a new competitiveness paradigm (Bordas, 1994; Ritchie & Crouch, 1993). Nowadays, destinations attempt to compete on the basis of the quality of their physical environment (Hassan, 2000), good environmental management practices (Holden, 2000; Hunter & Green, 1995), branding (Morgan, Pritchard, & Pride, 2002c), pricing (Dwyer, Forsyth, & Rao, 2000), better marketing strategies (Buhalis, 2000; Poon, 1993) and effective tourism policy (Butler, 2000; M. C. Hall & Jenkins, 1995; Jenkins, 1980). Though many factors are identified as determinants of destination competitiveness, there is little empirical evidence to support these assertions in the context of developing countries.

Conceptual models of destination competitiveness

Ritchie and Crouch's (2000) and Dwyer and Kim's (2003) destination competitiveness models provide a starting point for grouping destination competitiveness factors. Ritchie and Crouch's (2003) conceptual model of destination competitiveness, recognizes that destination competitiveness is based upon a destination's *resource endowments* (comparative advantage) as well as its capacity to *deploy* resources (competitive advantage). The model also acknowledges the impact of global macro-environmental forces (e.g., the global economy, terrorism, cultural and demographic trends, etc.) and competitive micro-environmental circumstances that impact the functioning of the tourism

system associated with the destination. The factors of destination competitiveness are represented in the model clustered into five main groups: 1) Supporting Factors and Resources (infrastructure, accessibility, facilitating resources, enterprise, hospitality); 2) Core Resources and Attractors (physiography and climate, culture and history, market ties, activities, special events, entertainment, superstructure); 3) Destination Management (resource stewardship, marketing, organization, information, research, service, finances, visitor management, crisis management); 4) Destination Policy, Planning and Development (e.g. philosophy, branding, vision, positioning, monitoring); and 5) Qualifying and Amplifying Determinants (e.g., location safety, security, cost, carrying capacity). In total, the model identifies 36 destination competitiveness attributes.

Dwyer and Kim (2003) and Dwyer, Mellor, Livaic, Edwards and Kim (2004) propose the development of a general model of destination competitiveness. Their model also considers national and firm competitiveness theory as well as 'the main elements of destination competitiveness as proposed by tourism researchers ... and many of the variables and category headings identified by Crouch and Ritchie' (Dwyer et al. 2004: 92). The primary elements of the Dwyer et al.'s (2004) model include resources comprising endowed resources, both 'natural' (e.g., mountains, coasts, lakes, and general scenic features) and 'heritage' (e.g., handicrafts, language, cuisine, customs, etc.) resources; created resources (e.g., tourism infrastructure, special events, shopping, etc.); and supporting resources (e.g., general infrastructure, accessibility, service quality, etc.). Destination management is the second core component of their model comprising government and industry. Their model then shows resources and destination management interacting with tourism demand and situational conditions to influence destination competitiveness and socio-economic prosperity.

Empirical examination of both frameworks is however limited (see Enright and Newton, 2004). For example, from a developing country perspective, the proposed models by Ritchie and Crouch (2000) and Dwyer (2001) do not appear to be relevant; they do not provide an integrated treatment of the various issues surrounding the concept of competitiveness. The models do not place sufficient emphasis on the key success drivers (people) and the vital linkages (e.g. communication and information management) that need to be considered when developing a comprehensive framework of sustainable destination competitiveness (Heath, 2003).

Heath (2003) proposes a new model in the form of a house with Foundations, Cement, Building blocks and Roof. The Foundations

represent a base for competitiveness and include key attractors (e.g., history, culture, events, entertainment); comparative and competitive advantage; non-negotiable (e.g., personal, safety, health issues); enablers (e.g., infrastructure, such as airports, roads and signage and managing capacity); value-adders (e.g., location, value, destination linkages); facilitators (airline capacity, accommodation, distribution channels); and experience enhancers (e.g. hospitality, service, authentic experience). The Cement links the facets of competitiveness and includes communication channels, stakeholders' involvement, information management, research and forecasting, managing competitive indicators, and benchmarks. The Building blocks make tourism happen in a destination and include policy and legislative framework, organizational and financial frameworks, resources and capabilities, investment climate, environmental principles, marketing, and demand management. The Roof, which is the key to success, comprises the people, their leadership, values, principles, entrepreneurship, and human resources development.

The examination of the factors that influence destination competitiveness (see e.g. Ritchie and Crouch, 2000; Enright and Newton, 2004; Dwyer and Kim, 2003) reveals three clearly identifiable groups of factors: destination resources, destination support services; and human related factors. A brief description of each group of factors that it is assumed to predict destination competitiveness is discussed in the following sections.

Destination Resources (DR)

Destination resources are all the assets that a destination possesses and are available to destination firms in order to utilize them in a specific economic activity. Destination resources are the core resources on which tourism at a destination is based. Melian-Gonzalez and Garcia-Falcon (2003), define destination resources as destination strategic assets which determine the level of activity a destination can achieve. The availability of resources within a destination is important for its performance; destination resources enhance its competitiveness by attracting entrepreneurs who invest in facilities and thus enable the destination to attract tourists.

Although the type and quality of destination resources vary in each destination (Bull, 1995; Mill & Morrison, 1992) they can be classified in a number of ways (Goeldner & Ritchie, 2003; Holloway, 1998). Destination resources are classified into sites and events with a site being the destination that appeals to visitors (e.g. natural parks), while event being what is taking place in the destination and drawing people into it (e.g. Australian Tennis Open). Some resources are classified into man-

made and natural categories (Leask, 2003; Swaabrooke, 1995). Man-made resources are put up by human beings (e.g. historical monuments, theme parks), while natural attractions occur naturally (e.g. unusual flora and fauna, spectacles such as Victoria Falls) (Holloway, 1998).

Dwyer and Kim (2002b) distinguish between inherited and created resources. Inherited resources are divided into natural (e.g. physiography, climate, flora and fauna) and cultural and heritage resources (e.g. the culture and heritage of a destination, its history, institutions, customs and architectural features, cuisine, traditions artwork music and handicraft). Natural resources are crucial for many forms of tourism and visitor satisfaction (Buckley, 1994). Cultural and heritage resources are powerful forces attracting visitors (Murphy et al., 2000). On the other hand, created resources are built (e.g., tourism infrastructure, special events, activities, entertainment, shopping) (Murphy, Pritchard, & Smith, 2000); they are important in determining destination competitiveness. According to Crouch et al (2000), the more attractive created resources the more diversified a destination's portfolio is of tourism resources, services and experiences, and the greater is destination competitiveness. Without these resources tourism destination cannot develop. This study investigates the tourist business operators' view of the importance of destination resources to its competitiveness.

Destination Support Services (DSS)

Destination support services include the entire infrastructure that is made up of the a) general infrastructure (normal infrastructure), such as roads, airports, train and public and private transport system, telecommunication, healthy care facilities, sanitation, electricity generation system, sewerage treatment, water supply, financial services, and technology (Prideaux & Cooper, 2002); and b) specific tourism infrastructure (superstructure) developed specifically for the use by tourists, such as resorts, hotels, or roads in national parks (Ritchie & Crouch, 2000), food outlets, travel agents, car rental firms, or local convention bureaux. There is also service infrastructure that includes shopping facilities, food storages, garages, pharmacies, bookstores, hairdressers, and administrative offices that provide services to both locals and tourists. The ability of a destination to compete is enhanced by the provision of infrastructure. Inadequate infrastructure results in less capacity to serve tourists and low destination patronage.

Destination support services that are usually examined are accommodation and communication facilities, transportation services, destination utilities such as health care services and facilities, marketing and promotion, and cooperation within the destination. A destination's

location (accessibility) relative to major source markets represents a “value-added” and can have a major impact on the destination's competitiveness. According to McKercher (1998), more proximate destinations exhibit a competitive advantage over destinations that offer a similar product but are more distant.

According to Crouch & Ritchie (1999), destination support services (infrastructure) is the secondary source of destination competitiveness. Mo et al. (1993) argue that destination infrastructure is, after 'destination environment' (destination resources) the most important factor in international tourists' experiences of the destination product. Tourism and service infrastructure plays a supporting role to the core destination resources. Without destination support services, limited tourist activities can take place and the ability of business operators to use the destination resources to generate economic rent is greatly compromised.

Human Resources (HR)

The availability and quality of human capital (its hospitality, knowledge and education and research institutions) influences destination development and its success. The adequately and professionally trained human resources are a very valuable source of competitive advantage (Baum, 1994a; Conlin & Titcombe, 1995; Olesen & Schettini, 1994). Well-trained personnel are required in all service establishments within destinations (Briguglio and Vella 1995). The quality of the tourism employees' performance contributes to the success and competitiveness of a destination (Baum, 1993; Jafari & Fayos-Sola, 1995).

According to Bueno (1999), competition among destinations is determined by the skills of their human resources. Professional training offered to all service employees influences business performance and offers many benefits in the form of skills development (Lashley, 1997; Maybey, Salaman, & Storey, 1998), improved quality of service (Hubrech & Teare, 1993), greater commitment to the organization and increased flexibility (Maybey et al., 1998), and the ability to accept and adjust to changes (Lashley, 1997). Well qualified human resources are the drivers of competition in the labor intensive tourism industry (Jafari & Fayos-Sola, 1995). If a tourism destination is not able to develop high quality human resources it can lose its appeal and lag behind competition (Conlin & Titcombe, 1995). Thus, high quality human resources represent an important competitive advantage for a destination.

Besides the importance of having highly skilled workforce, if tourism is to flourish within a destination, the attitude of locals to tourists must be positive. If destination residents do not support tourism development

tourists' experiences are compromised. Thus, the relationship between visitors and local residents plays an important role in influencing destination competitiveness. Destinations that are xenophobic are likely to be less competitive and less attractive. It is therefore important to ensure that destination residents support tourism development.

Further, since travel involves a lot of risks (Dimanche & Lepetic, 1999) and creates risk to public health the need for safety and security appears to be an important factor determining destination competitiveness. Tourists' perceptions of safety (Hall, Timothy, & Duval, 2004; Mansfeld, 1994) are significantly affected by various forms of violence, political instability and unrest (Gartner & Shen, 1992), terrorism (Ritcher & Waugh, 1986), crime, war, natural disasters (Milo & Yoder, 1991), plane crashes, pollution, sexual assaults (Tarlow and Santana 2002), low quality of sanitation, outbreaks of diseases, unreliable or bad quality medical services. These are often called fundamental non-negotiables (Heath, 2003). Peace, safety, and security are the primary requirements for destination development and important considerations in tourism destination choice (Sonmez & Graefe, 1998b). Without safety a destination cannot successfully compete (Cavlek, 2002). Safety and security of a destination are one of the major global forces that drive the tourism industry (Chiang 2000). Tourists carefully evaluate risks and threats to their health and well-being before making a decision to travel (Akama and Kiete 2003; Lindqvist and Bjork 2000). Destinations that are not perceived safe and secure or do not offer tourists adequate health care facilities cannot compete for tourists. Thus, safety and security are important requirements for competitiveness of a tourism region.

Hypotheses

Because the resource-based view suggests that the competitiveness of a tourism destination depends on the unique set of its resources (Melian-Gonzalez & Garcia- Falcon, 2003) that provide opportunities for building a sustainable competitive advantage (Barney, 1991; Grant, 1991), this study hypothesizes that the competitiveness of a tourism destination is primarily dependent upon the resources available at the destination. Destination resources are treated as the core predictors of each tourism destination's competitiveness and are the control variables in this study. Destination support services and facilities and human related factors provide support to the resources in making destination competitive. Hence, they are hypothesized to play a secondary complementary role in destination competitiveness. This study predicts that the total variance explained by destination resources in destination competitiveness will be much higher than the variance explained by destination support services and human-related factors.

Context of the Study

This study was conducted in Zimbabwe, a developing country located in the southern part of Africa. Only a few studies have been conducted on the competitiveness of African destinations (Heath, 2003). This is unfortunate because the African continent has the abundance of tourism resources and has a significant potential for tourism development. Many African countries attract an increasing number of international tourists seeking unique authentic tourism experiences. The region has the potential to become one of the world's great new destinations (WTTC Report, 2002). In its Tourism 2020 Vision, the WTO (1999) identifies five major types of tourism, namely ecotourism, cultural, thematic, cruise, and adventure tourism that are growing in importance in Africa. Heath (2003) believes that African countries can improve their economic, political, and social development, increase its competitiveness and reduce their dependence on foreign aid by building partnership and strategic alliances in tourism. Tourism is one of the main means for African countries to achieve their development goals. However, the biggest challenge is to appreciate Africa's true tourism potential, develop its tourism vision, and invest adequately in appropriate tourism development and marketing, and strategically manage the key elements that constitute destination competitiveness (Heath, 2003).

In the last several years the tourism industry in Zimbabwe has experienced a downturn. This decline was attributed to the negative publicity the country received from the international community for political reasons. Zimbabwe lost its competitiveness as a tourism destination and this became a major concern for the local tourism industry. Therefore, it was felt necessary to examine the country's competitiveness as a tourism destination and identify its major predictors so destination managers could prioritize the allocation of resources for the benefit of both tourists and business operators.

Research Method

Sample

The primary unit of analysis in this study is the tourism businesses operating at and around selected tourism areas. Tourism business operators, mostly strategic business unit managers or their immediate subordinates, were selected because they prioritize the allocation of resources for tourism regions. Business operators' opinions of what makes a destination competitive are important.

The particular operators were selected from a register of licensed business operators held by the Zimbabwe Tourism Authority (ZTA) and

National Tourism Organization (NTO) in Zimbabwe. The register lists more than 500 tourism business organizations, including hoteliers, transporters, fast food outlets, restaurateurs, car rental companies, bars, nightclubs, and other hospitality providers.

A convenience sample was chosen because it was less expensive and time consuming for the researchers. However, in order to increase the degree of sample representativeness, an attempt was made to interview business operators from different geographical locations and places of tourist attractions. Although some businesses surveyed were of foreign ownership, only local unit managers were interviewed. No international operators were selected for the purpose of the study.

Development of measures

Because no universal set of items that measure destination competitiveness exists, the items used in this study derived from previous destination competitiveness studies. A close examination of these determinants revealed three clearly identifiable groups of factors: destination resources, destination support services and human related factors. The items used in this study were also clustered into three main groups.

Items measuring destination resources derived from comparable studies (Gearing, Swart, & Var, 1974; Hu & Ritchie, 1993; Kim, 1998; Ritchie & Zins, 1978) totalled 30 items were used to measure this construct. Items measuring destination supporting services were also identified from the literature (Astley and Fombrum, 1983; Crouch and Ritchie, 1999; Dollinger, 1990; Dollinger and Golden, 1992; Hu and Ritchie, 1993); Kim, 1998; Kobotis and Vassiliadis, 2001; Lado et al., 1997; Ritchie and Crouch, 2000a; Ferrier, Smith and Grimm, 1999; Ferrier, 2001) totalling 19 items. Items measuring human resources related factors were adapted from various studies (Baum, 1993, 1996a; Brotherton & Wollfenden, 1994; Chaudhary, 2000; Mavondo and Vengesayi, 2002; Reisinger and Mavondo, 2005; Tsaor and Lin, 2004) with some 25 items used to measure this construct.

Exploratory factor analysis with orthogonal rotation (to maximize the differences among the dimensions extracted) was used to determine the dimensions of the three major groups of destination competitiveness. Only factors with eigenvalue greater than 1 (unit) and items with factor loadings greater than 0.6 were retained for further analysis. Tables 1, 2 and 3 show the factors and factor loadings of the respective variables.

Table 1 shows the dimensions of destination resources that were identified through exploratory factor analysis (EFA) of the destination

resources items. Factor analysis resulted in five dimensions of destination resources, namely historical, natural, unique, created and physical environment. Physical environment has been classified under destination resources because clean air, scenic beauty or unspoiled vegetation add to destination resources and its competitiveness. Table 2 shows the dimensions of destination support services as identified by factor analysis. These dimensions are destination utilities, accommodation facilities, destination accessibility, and communication facilities. Table 3 shows the dimensions of human resources related factors that include attitude of local residents to tourists, human resources professionalism, physical risk, and health risk.

Table 1: Factor analysis and reliability statistics for destination resources

<i>Construct</i>	<i>Items</i>	<i>Factor loadings</i>	<i>Cronbach's Alpha</i>
Destination Resources			.8731
Historical resources	Historical sites	.821	.8719
	Cultural sites	.883	
	Artistic and architectural features	.679	
	Traditional arts	.728	
	Cultural heritage	.733	
Natural resources	National parks	.888	.8523
	Wild animals	.894	
	Natural wonders and scenery	.754	
	Nature based activities	.660	
Unique resources	Amusement/theme parks	.558	.7026
	Staged tourist attractions	.795	
	Shopping facilities	.762	
	Uniqueness of attractions	.757	
Created attractions	Tour excursions	.415	.8364
	Sporting activities	.456	
	Special events /festivals/sporting events	.445	
		.528	
	Sporting facilities (golf, tennis)	.856	
	Night life activities (bars, discos)	.768	
	Nature based activities (rafting, skydiving)		
Physical environment	Unspoilt natural vegetation	.564	.7994
	Unpolluted environment	.775	
	Clean air	.841	
	Natural scenic beauty	.816	
	Properly preserved natural environment	.720	

Note: factor loadings less than .40 were suppressed

Table 2: Factor analysis and reliability statistics for destination support services

<i>Construct</i>	<i>Items</i>	<i>Factor loadings</i>	<i>Cronbach's Alpha</i>
Supporting Services			.8632
Destination utilities	Adequate water supplies	.668	.8576
	Adequate power supply	.843	
	Adequate transport system	.862	
Accommodation facilities	Quality of accommodation facilities	.562	.7356
	Variety of accommodation facilities	.689	
	Up-market accommodation facilities	.703	
	Value of money for accommodation	.606	
Destination accessibility	Quality of road system	.575	.7624
	Traffic flow/congestion	.558	
	Car rental facilities	.659	
	Range of cars available for rental	.577	
	Adequate transport system	.715	
Communications facilities	Information technology for the tourism industry	.526	.7317
	Modern communication facilities	.772	
	Ability to perform transactions over the Internet	.700	
	Access to telecommunication facilities	.636	

Note: factor loadings less than .40 were suppressed

Table 3: Factor analysis and reliability statistics for human related factors

<i>Construct</i>	<i>Items</i>	<i>Factor loadings</i>	<i>Cronbach's Alpha</i>
Human Factors			.8352
Attitude to tourists	Attitudes of custom/immigration officials	.782	.7317
	Willingness of employees to assist tourists	.700	
	Appearance of staff	.682	
	Attitudes of staff to tourists	.670	
	Attitudes of local people to tourists	.846	
	Friendliness of destination residents towards tourists	.818	
Human resources professionalism	Ability to communicate in English	.751	.7631
	Knowledge of the industry by staff	.544	
	Availability of qualified technical staff	.612	
	Availability of training in managerial skills	.789	
	Ability to monitor visitor experiences & satisfaction	.717	
	Availability of experienced tour guides	.638	
	Professional competence of staff	.629	
Physical risk	Ability to communicate in other foreign languages	.471	.8278
	Evidence of police patrols	.597	
	Safe and secure parks	.660	
	Potential for political unrest	.879	
Health risk	Personal safety and security	.861	.7201
	Peaceful environment	.547	
	Standard of hygiene	.855	
	Risk of illness	.765	
	Availability of modern medical facilities	.651	

Note: factor loadings less than .40 were suppressed

Instrument and measures

In this study, destination competitiveness was conceptualized as competitiveness relative to other competing destinations. The concept was measured by asking 12 questions on how competitive various aspects of the destination were relative to the alternative destinations. A 'destination' was conceptualized and operationalized at the level of the study site. The questions clearly stated "this particular destination site, NOT the country". The list of items respondents were asked about to assess destination competitiveness is presented in Table 4. The exploratory factor analysis produced one factor that authors interpreted as competitiveness. The overall Cronbach's Alpha was 0.921. The confirmatory model had a strong fit measures (AGFI=.913; NFI=.953, TLI=.958, CFI=.970, and RMSEA=.067) suggesting a robust measure.

Table 4: Factor analysis and reliability statistics for destination competitiveness

<i>Construct</i>	<i>Items</i>	<i>Factor Loadings</i>	<i>Cronbach's Alpha</i>
Destination competitiveness	Strong destination image	.792	.921
	Growth in new investment	.897	
	Expansion/growth of existing firms	.753	
	Relationships with international tour operators	.792	
	Uniqueness of the major attractions	.758	
	Reputation for safety and security of visitors	.805	
	Availability of information about the destination	.936	
	Ability to attract international tourists	.859	

Note: factor loadings less than .40 were suppressed

A structured questionnaire was used to measure the constructs. Respondents were asked to rate the importance of various destination resources, support services and human related factors, and the extent to which these contribute to destination competitiveness. In addition, respondents were requested to rate the competitiveness of the destination in which the research was conducted. The measuring items were adapted from previous studies (e.g. Buhalis, 2000; Craigwell, 2007; Crouch & Ritchie, 1999; Dwyer and Kim, 2003; Dwyer, Forsyth, Rao, 2000; Go and Govers, 2000; Hassan, 2000; Martin and Witt, 1987; Mihalic, 2000; Porter, 1990a). The same questions were asked at different sites. Finally, the questionnaire asked the general information about the tourism business operators pertaining to their origin, nature, size, etc.

A 7-point Likert scale was used to measure the responses that ranged from 7 = very important to 1 = not important at all. To capture the construct of destination competitiveness itself, managers at the

destinations were asked to rate the performance of their destination against directly competing destinations. Again, a 7-point Likert scale was used to measure the responses that ranged from 7 = very competitive to 1 = very uncompetitive. The 7-point Likert scale was chosen because it has advantages in terms of increasing reliability (Zikmund, 2000). The use of an odd number of response options provides a midpoint, which represents a point of neutrality on a scale.

Data collection procedure

The questionnaire was administered to tourism business operators by the main researcher. Business operators were approached at the major touristic places in Zimbabwe, such as Victoria Falls, Masvingo, Kariba and the Eastern Highlands. The completed questionnaires were collected by the researcher. Out of 225 distributed questionnaires, 123 fully completed questionnaires were used for analysis, giving an effective response rate of about 55%.

Respondents' profile

Most of the business operators were located in the Victoria Falls region (46.3%), Eastern Highlands (16.3%), Great Zimbabwe (Masvingo) (13.8%), Matopos Region (13%) and Kariba (10.6%). Victoria Falls accounted for most of the sample because of the clustering nature of businesses in that region. The majority of the firms (53%) were of a medium size (11 to 30 employees) and more than 33% of the firms were of a larger size (more than 30 employees). The majority of the businesses sampled were represented by accommodation providers (58%) and tour operators (23%).

Data Analysis

In order to examine if factors in the three groups of destination competitiveness (resources, support services, human related factors) were not measuring the same attributes, discriminant validity of the factors in all groups was run (see Table 5). The reliability of each of the constructs used in this study was re-calculated using Fornell and Larcker's (1981) internal consistency formula:

$$\text{Variable } (\xi) = \frac{(\sum \lambda)^2}{(\sum \lambda)^2 + \sum (\delta)}$$

Where λ is the regression weight and $\delta = (1 - \lambda^2)$.

The use of average variance shared between a construct and its measures, or the average variance extracted (AVE) was suggested by Fornell and Larcker (1981) for assessment of discriminant validity.

According to Fornell and Larcker (1981), two constructs are different when the average variance extracted for each variable is greater than the variance shared with other constructs. The results showed that the average variance extracted for all constructs exceeded the variance shared between them, indicating discriminant validity.

The coefficient of alpha scores for all the measures used in this study ranged from 0.7 to 0.97, with the majority of the constructs reaching 0.8, indicating that the items adequately captured the key constructs. Nunally (1967) suggested an acceptable coefficient alpha to be between 0.5 and 0.6, while de Vaus (1995) argued that it should be at least 0.7.

Table 5: Internal consistency and correlations for destination resources, destination support resources and human related factors

	Internal consistency	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Created resources	.7620	.7979													
Historical resources	.8134	<i>.442**</i>	.8532												
Natural resources	.7265	<i>.391**</i>	<i>.245**</i>	.8775											
Unique resources	.6330	<i>.472**</i>	<i>.383**</i>	<i>.339**</i>	.7810										
Physical environment	.8009	<i>.112</i>	<i>-.032</i>	<i>-.185*</i>	<i>-.003</i>	.6640									
Destination accessibility	.8366	<i>.329**</i>	<i>.207**</i>	<i>.169*</i>	<i>.662**</i>	<i>.047</i>	.8080								
Communication facilities	.7599	<i>.254**</i>	<i>.006</i>	<i>-.168*</i>	<i>.050</i>	<i>.416**</i>	<i>.315**</i>	.8031							
Accommodation facilities	.7420	<i>.237**</i>	<i>.177**</i>	<i>-.100</i>	<i>.241**</i>	<i>.330**</i>	<i>.324**</i>	<i>.491**</i>	.7759						
Destination utilities	.9420	<i>.138</i>	<i>.018</i>	<i>.021</i>	<i>.160*</i>	<i>.085</i>	<i>.281**</i>	<i>.362**</i>	<i>.366**</i>	.9721					
Attitude to tourists	.8781	<i>.505**</i>	<i>.186*</i>	<i>.563**</i>	<i>.262**</i>	<i>-.011</i>	<i>.205*</i>	<i>.280**</i>	<i>.202**</i>	<i>.240**</i>	.8292				
Residents' support for tourism	.8350	<i>-.063</i>	<i>-.142</i>	<i>-.262**</i>	<i>.124</i>	<i>.236**</i>	<i>.168*</i>	<i>.445**</i>	<i>.341**</i>	<i>.241**</i>	<i>.037</i>	.8196			
Human resources professionalism	.9013	<i>.289**</i>	<i>.214**</i>	<i>.049</i>	<i>.532**</i>	<i>.216**</i>	<i>.570**</i>	<i>.383**</i>	<i>.417**</i>	<i>.370**</i>	<i>.268**</i>	<i>.428**</i>	.9309		
Physical risk	.8278	<i>.220**</i>	<i>.125</i>	<i>.112</i>	<i>.132</i>	<i>.093</i>	<i>.232**</i>	<i>.003</i>	<i>.030</i>	<i>.098</i>	<i>.090</i>	<i>-.093</i>	<i>.173*</i>	.9309	
Health risk	.7201	<i>.315**</i>	<i>.100</i>	<i>-.049</i>	<i>.051</i>	<i>.385**</i>	<i>.095</i>	<i>.344**</i>	<i>.358**</i>	<i>.123</i>	<i>.194*</i>	<i>.291**</i>	<i>.287**</i>	<i>.501**</i>	.8124

Note: * Figures in *italics and brackets* represent covariance, the figures in **bold** represent the square root of average variance extracted, the figures in text (above the figures in *italics*) are correlations.

Regression Analyses

Because the aim of the study was to investigate the relationship between destination resources, destination support services, human related factors, and destination competitiveness, a series of regression models were run to determine the predictive ability of destination resources, support services and human related factors to determine destination competitiveness. The competitiveness of a tourism destination was hypothesized to be determined by the advantages conferred by destination resources as the primary determinants; with destination support services and human resources playing secondary

roles.

The regression analysis was carried out in several stages. First, destination resources and destination competitiveness were run in a regression to assess the predictive power of the different types of destination resources on destination competitiveness (Model 1). Second, destination support services and destination competitiveness were run in a regression to assess the predictive power of different types of support services and facilities on destination competitiveness (Model 2). Third, human related factors were then entered into a regression to determine their predictive power on destination competitiveness (Model 3). These regressions were carried out to investigate the variance of destination competitiveness that each group (destination resources, destination support services and human factors) explained. The next three models were hierarchical; Model 4 resulted from adding support services to Model 1, Model 5 was obtained by adding human related factors to Model 1 and finally Model 6 was obtained by adding support services and human factors to Model 1.

Destination resources were used as the control variable because they were hypothesized to be the primary sources of any destination competitiveness (Crouch & Ritchie, 1999; Kim, 1998; Ritchie & Crouch, 2000). Heath (2003) points out destination resources are the foundation of a tourism destination. Without a solid foundation a building cannot stand. Similarly, without destination resources a destination may not be competitive and other destination factors become irrelevant. Destination support services and human resources were assumed to be the secondary determinants of destination competitiveness, or the cement and roof of a building (Crouch & Ritchie, 1999; Heath, 2003).

Results

Destination resources (Model 1)

The main results are presented in Table 6. Model 1 investigates the relationship between destination resources and destination competitiveness. The results show that destination resources explain 31% ($R^2=.308$) of the total variance in destination competitiveness. The strongest predictors of destination competitiveness are natural resources (0.354, $t=4.032$, $p<.001$), followed by historical resources (0.237, $t=2.683$, $p<.01$), and the quality of the physical environment (0.215, $t=2.682$, $p<.01$). It was surprising that unique resources were not significant predictors of destination competitiveness given that one destination under investigation (Victoria Falls) is considered to be an internationally known unique tourist attraction. It is possible this destination was seen as being represented by natural rather than unique resources.

Destination Support Services (Model 2)

Model 2 investigates the relationship between destination support services and destination competitiveness. The results indicate that destination support services explain 26% ($R^2 = .259$) of the total variance in destination competitiveness. The strongest predictors of destination competitiveness are communication facilities (0.448, $t = 4.740$, $p < .001$) and destination utilities (0.145, $t = 1.735$, $p < .05$). The fact that accommodation facilities are not significant predictors of destination competitiveness is surprising given that accommodation is considered by tourists an important facility that can attract tourists to a destination. However, it seems business operators have a different opinion. It looks they believe a lower standard of accommodation is acceptable as long as it is in an attractive location.

The results show that destination support services explain less total variance in destination competitiveness (26%) than destination resources (31%). This supports literature claiming that destination resources are the primary determinants of destination competitiveness (Crouch & Ritchie, 1999; Ritchie & Crouch, 2000).

Destination human resources related factors (Model 3)

Model 3 assesses the relationship between human related factors and destination competitiveness. It indicates that human related factors explain 31% ($R^2 = .305$) of the total variance in destination competitiveness. The strongest predictors of destination competitiveness are human resources development and professionalism (0.256, $t = 2.354$, $p < .01$) and local residents' attitude to tourists (0.170, $t = 2.079$, $p < .01$). The result was expected; professional and skilled workforce provides a pool of high quality employees for businesses making business operations more successful and destination more competitive. Also, when locals are friendly the destination is perceived as welcoming. The feelings of welcoming and hospitality make a destination more competitive.

Physical risk (-0.281, $t = -2.956$, $p < .01$) and health risk (-0.325, $t = -3.152$, $p < .01$) are also strong predictors of destination competitiveness although they have negative relationships with destination competitiveness. This was expected; the lower the physical and health risk at a destination the more competitive a destination is.

The results show that human resources related factors explain more total variance in destination competitiveness (31%) than destination support services (26%). Model 3 indicates that human related factors are perceived by business operators to be equally important with destination resources as the primary determinants of destination competitiveness. Tourism is a people oriented industry; it is run by people for people. The

importance of human element in the tourism industry is strongly supported in the tourism literature (Baum, 1996; Tsaur & Lin, 2004).

Destination resources and destination support services (Model 4)

Model 4 is a moderated regression that seeks to assess the relationship between destination resources, destination support services and destination competitiveness, and to establish the increment in total variance explained by adding support services and facilities into Model 1. The results show that Model 4 explains 53% ($R^2=.530$) of the total variance in destination competitiveness. The incremental variance ΔR^2 is significant ($\Delta R^2=.222$, $F\text{-ratio}=14,2666$, $df=4;113$, $p<0.001$) showing that significantly more total variance in destination competitiveness is explained by adding support services. This means destination support services significantly add to the explanatory power of destination resources in explaining destination competitiveness. It is important to note that the addition of support services appears to reduce the number of destination resource types that have a significant relationship with destination competitiveness. In Model 1 three types of destination resources (historical at $p<.01$, natural at $p<.001$, and physical environment at $p<.01$) have significant relationships with destination competitiveness. With the addition of destination support services to the regression, only historical ($p<.01$) and natural resources ($p<.05$) remain significantly related to destination competitiveness. This appears to suggest that the predictive power of destination resources has been substantially weakened by the inclusion of destination support services into the regression. The support services with the strongest and significant influence on destination competitiveness are communication facilities (0.296 , $t=3.013$, $p<.01$) and destination accessibility (-0.285 , $t=-2.510$, $p<.01$). The negative significant relationship of destination accessibility with destination competitiveness may be explained by the fact that business operators do not perceive destination competitiveness influenced by destination location, as claimed in the literature.

Destination resources and human resources related factors (Model 5)

Model 5 is a moderated regression that seeks to establish the increment in total variance explained by adding human resources related factors into Model 1. The results show that Model 5 explains 44% ($R^2=.444$) of the total variance in destination competitiveness. The strongest predictor of destination competitiveness related to human factors is health risk (-0.233 , $t=-2.203$, $p<0.05$). Although natural resources ($.259$, $t=2.579$, $p<.05$) and historical resources ($.147$, $t=1.797$, $p<.05$) are also significant predictors, with the addition of human related factors to the regression, the predictive power of these resources has been weakened and the significant power of the physical environment disappeared. The

incremental variance ΔR^2 is significant ($\Delta R^2 = .136$, F-ratio=10.985, df=4;113, $p<0.001$) showing that significantly more variance in destination competitiveness is explained by adding human related factors.

Destination resources, support services and human related factors (Model 6)

Model 6 incorporates all three groups of factors (destination resources, support services, human related factors) to produce the integrated model, and provides a holistic model of destination competitiveness as a function of destination resources, destination support services and human related factors. This model explains 62% ($R^2=.615$) of the total variance in destination competitiveness. The factors from resources that remain significant include historical resources (.212, $t=2.754$, $p<.01$), natural resources (.212, $t=2.180$, $p<.05$), unique resources (.203, $t=1.855$, $p<.05$) and created resources (.159, $t=1.705$, $p<.05$). The factor from support services that remains significant are destination utilities (.142, $t=1.851$, $p<.05$). The human related factors that remain significant are local residents' attitude to tourists (.177, $t=1.828$, $p<.05$) and health risk (-.231, $t=-2.332$, $p<.01$).

It is interesting to note that the bigger increment occurs between Model 1 and Model 4 (117%) than between Model 1 and Model 5 (72%).

Table 6: Simple and hierarchical models of destination competitiveness' determinants

Construct		Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
(N=123)							
Destination resources							
Created resources	+	.129 (1.322)			.062 (0.658)	.154 (1.552)	.159 (1.705)*
Historical resources	+	.237 (2.683)**			.264 (3.324)**	.147 (1.797)*	.212 (2.754)**
Natural resources	+	.354 (4.032)***			.146 (1.713)*	.259 (2.579)*	.212 (2.180)*
Unique resources	+	-.114 (-1.258)			.147 (1.269)	.166 (1.629)	.203 (1.855)*
Physical environment	+	.215 (2.682)**			-.025 (-0.322)	.016 (0.205)	-.021 (0.284)
Support services/facilities							
Accommodation facilities	+		.039 (0.435)		.016 (0.179)		.107 (1.196)
Destination utilities	+		.145 (1.735)*		.115 (1.466)		.142 (1.851)*
Communication facilities	+		.448 (4.740)***		.296 (3.013)**		.150 (1.525)
Destination accessibility	+		.080 (0.924)		-.285 (-2.510)**		-.160 (-1.410)
Human related factors							
Attitude to tourists	+			.170 (2.079)**		.153 (-1.578)	.177 (1.828)*
Physical risk	-			-.281 (-2.956)**		-.140 (-1.578)	-.133 (-1.570)
Health risk	-			-.325 (-3.152)**		-.233 (-2.203)*	-.231 (-2.332)**
Human resources professionalism	+			.256 (2.354)**		.132 (1.239)	.182 (1.566)
R^2		.308	.259	.305	.530	.444	.615
Adj. R^2		.278	.234	.276	.464	.394	.539
F-Ratio		10.404	10.315	10.289	7.970***	8.931***	8.101***
ΔR^2					.222 (117%)	.136 (72%)	.307*** (162%)
Δ F-ratio					14.266***	10.985***	5.782***
Δ Degrees of Freedom					4; 113	4; 113	4; 109

Note: * $p < .05$, ** $p < .01$, *** $p < .001$. The figures in the table are standardized regression weights, the figures in brackets are t-values. Also note that a one-tail t-test was used since the directions of the relationships were explicitly stated.

Discussion

In Model 6, four destination resources (historical, natural, unique and created) are significant predictors of destination competitiveness (although created and unique resources are not significant in earlier models). Among destination support services, destination utilities are significant. This may reflect the use of the term utility reflecting all major services and facilities. Communication facilities and destination accessibility appear to lose their significance in the integrated model. Surprisingly accommodation never turns out to be significant in all models. This suggests that the variety of accommodation available to meet different customers' needs is not a critical consideration when assessing destination competitiveness. The negative sign on destination accessibility (in Model 4 accessibility is significant) while at first sight surprising, is consistent with the Zimbabwe tourism policy. Tourism in Zimbabwe is not designed for the mass market, it is intended to be for the high end of the market; this is also consistent with preservation of the natural environment. The focus of tourism development in Zimbabwe is on quality high paying visitors who can afford to access remote areas from urban centers destinations by air. For that reason, destination accessibility seems to be not a priority when assessing destination competitiveness and is not a significant predictor of destination competitiveness in Model 6.

As to human related factors, they are all significant predictors of destination competitiveness if one accepts the significant level of 10%. Otherwise residents' attitudes to tourists and health risk are significant. Health risk is perceived to negatively impact destination competitiveness. This is consistent with the breakdown in the health system as a result of the general economic problems in Zimbabwe. Physical risk is not a significant predictor of destination competitiveness and this is consistent with general experience; the country is safe for tourists and physical risk is considered to be very low. The variance of destination competitiveness explained in the integrated model ($R^2 = .62$) indicates that the identified factors provide a deep insight into the determinants of destination competitiveness.

Conclusion

The study shows that business operators perceive destination support services and human related factors to contribute relatively more to destination competitiveness than destination resources since the total variances explained in Models 2 and 3 are bigger than in Model 1. In

addition, models 4 and 5 indicate that adding support services and human related factors to destination resources significantly increase the total variance explained. This suggests that while destination resources are important other factors, such as support services and facilities and human resources enhance destination competitiveness.

The final integrated model (Model 6) indicates that the incremental contribution of support services and human related factors is big (117% and 72%, respectively). Support services make a higher contribution than human related factors, implying that services and facilities are more highly regarded by business operators in influencing the competitiveness of a destination than human related factors. This implies that developing a destination should involve first of all providing high quality support services and facilities. Model 6 explains more of the total variance (62%) suggesting that the competitiveness of a destination is also enhanced by the availability of professional human resources. Destination managers are therefore encouraged to also focus on the quality of human resources available at the destination.

Contribution and Implications

The study identifies factors that should be focused on to make a destination more competitive. The study is the first one which empirically examined the contribution of each group of the factors and the strength of the influence of each group on destination competitiveness. The study proposes a framework for understanding destination competitiveness in a developing country such as Zimbabwe. It also examines the concept of destination competitiveness from the perspective of tourism business operators who use the destination resources for their economic benefit in supplying services to visitors.

The multiple regressions models give an indication of the potential power of the various destination factors on destination competitiveness. While the results show that destination resources, support services, and human related factors influence the competitiveness of a destination, the study shows that these three groups of factors have different effects on destination competitiveness. The study draws attention to the importance of destination support and human resources as the main factors determining destination competitiveness; this makes a valuable contribution to literature. The study also shows that these two groups of factors significantly add to destination competitiveness and implies that support services and facilities and human related factors are more highly regarded by business operators in influencing the competitiveness of a destination than destination resources.

Consequently, in order to be competitive a destination should focus

on providing a variety of high quality support services and facilities and developing high quality professional human resources. This particularly applies to developing African countries. The biggest constraint facing by these countries in terms of achieving its true tourism potential and competitiveness lies with the lack of adequate infrastructure and unavailability of skilled human resources. Placing strategic priority on quality of infrastructure and human resources development is increasingly regarded as critical in destination competitiveness (Heath, 2003). Particularly in the African context the ability to succeed and the future performance of tourism depends upon the quality of services and facilities and skills, qualities and knowledge that managers bring to their business. In addition, high quality health care facilities should be built to reduce the health risk.

The study provides destination management authorities with practical information on the forces that contribute to destination competitiveness in the African context and thus allow them to make more informed decisions. The identification of three groups of factors that determine destination competitiveness makes it also easier for national tourism organizations to measure competitiveness of different tourism regions in Africa. The study makes a unique and important contribution to tourism literature on destination competitiveness in a developing country.

Moreover, the study also supports the use of business operators as the sampling frame for destination competitiveness. Previous studies have ignored the relevance of business operators' perspective in measuring destination competitiveness (Heath, 2003; Ritchie, Crouch and Hudson, 2000). The examination of the business operators' views on destination competitiveness contributes to a better understanding of the concept by this tourism stakeholders' group.

Limitations and Recommendations

The study findings are country specific and thus may not be generalizable. At the time of the study, Zimbabwe was facing social, political and economic problems. The country is perceived as undemocratic and unfavorable for foreign investment. The contribution of the tourism industry to the national economy has significantly declined from its highs in 1990s. Thus, the results may reflect a special case and may be difficult to generalize.

The group of human related factors may be seen as heterogeneous. Although this is a potential weakness the factors in this group appear logical. They could have been separated into two groups, e.g. one group for people and another group for risk. However, this was not done because the risk factors operationalised are closely related to human factors.

The variance explained in Model 6 may appear too low (62%). However, when considering other factors influencing destination competitiveness and its multiple nature, capturing 62% of the total variance appears adequate. Other factors influencing destination competitiveness may have to be considered. The study can be replicated in other developing/developed destinations, in different economic, political, socio-cultural and environmental settings and results compared.

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Innovation and Competitiveness in Ecotourism : A View from the Koti-Kanasar- Indroli- Patyur Circuit in Uttarakhand Himalaya, India

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Abstract: Indian tourism is in a position to position itself as a best destination compared to its neighboring counterparts by bringing up new avenues and innovations in tourism. Incidentally, the negative happenings of the recent past have emerged as a setback for Indian tourism and it could acknowledge the drop in female tourist arrivals to India and to convey the world tourists as a safer and incredible destination, it has to experiment by innovating newer tourism products or to find innovative approaches in the existing tourism products to act as new offerings. This paper is an attempt to learn how Uttarakhand state of Indian sub-continent have rechristened its tourism in the form of ecotourism to have its competitive share in receiving tourists. Data for the study is collected from primary and secondary sources through structured questionnaire. The results of the study educate to concentrate on the hardware and software components of tourism for better results.

Keywords: Destination, hardware, rechristened, setback, software.

Introduction

Tourism sector has been under tremendous pressure for the last few years towards finding alternate paths to make the sector more sustainable and their resources equally. But due to the overwhelming growth of tourists and the development of service suppliers have neglected the much needed concern for environment, cultural treasures, society and natural resources. Many organizations working towards the healthier aspect of tourism sector have recorded their concern on the depleting resources and invited the participating stakeholders to strategize newer process and motivate to bring in innovation in the sector to act competitively. Incidentally, the participation level of all nations promised

to gain benefits out of tourism in bringing sustainable methods, innovations is found to be meager resulting damage to the supporting resources of tourism.

Many view innovations as developing newer tourism products instead of the present, but it is developing friendly practices, methods and processes on the existing tourism products aimed at benefiting both the users and the resources. Many OECD countries have initiated many ways to develop green methods towards putting tourism sustainable and accordingly the participating stakeholders of the aforesaid countries have pledged to follow the framed and initiated strategies and it is viewed as seldom impossible in developing countries, especially in countries like India, following such practices is considered to be an Himalayan task. The need of the hour to India is innovate ways to arrive at favorable impacts on people, natural resources, cultural assets, environment and economy of the country. Equally, innovations in tourism sector means bringing innovations to its allied sectors since it does not exist alone and the intangibility of tourism nature forces to study on various aspects including manufacturing, process and management. Many new forms of tourism are in the pipeline initiated by many states of Indian sub-continent and few have gone a step ahead to find new innovative ways to offer unique experience to the arriving tourists with the existing tourism forms. Indian tourism cannot be discussed without the mighty Himalayas and its diversified attractions present on various altitudes serve as a prominent attraction for the country. The Himalayan range commonly referred as the mighty Himalayas is the majestic mountain range that is home to the world's highest peaks. The mighty Himalayan range runs west to east forming an arc of 2400 km long and varying width between 450 km to 250 km. The Himalayan range is popularly called as "abode of snow" and people from all nations and walks of life have traveled to this unique destination. It has profoundly shaped the culture of South Asia as the many peaks of Himalayas are sacred to the religions of Hinduism, Buddhism and Sikhism. Pilgrims of the different religions take painstaking journeys to make at least one visit to the many holy shrines nestled within the mountain range.

The Indian Himalayas border five Indian states including Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and West Bengal. The states present in the lap of Himalayas has experimented various forms of tourism with the resources available in the Himalayas and are instrumental in tourism business. The people of these states have a rich culture, tradition, lifestyle that is closely associated with the Himalayas. This rich culture in concert with the unprecedented beauty of Himalayas has enticed many pilgrims, mountaineers, trekkers and nature lovers to

enjoy the breathtaking beauty of the region. The language and life style of people serve as an attraction in itself. The peace and tranquility of the Himalayas entice many tourists from USA, UK and other European countries year round and many stay for more than 6 months in home stays.

Among other Himalayan states, Uttarakhand, a tiny hilly Himalayan state of the Indian sub-continent located in the northern tip, sharing international boundaries with Nepal and China has the basins of the great revered rivers (Ganga, Yamuna and others). The state is also the seat of many popular tourist attractions including famous temples such as Badrinath and Kedarnath devoted to Lord Vishnu and Shiva respectively, located, at the height of above 3200 m in the upper reaches of the Great Himalayas. It allure tourists from far and near throughout the year and its outdoor activities such as camping, trekking, hiking, wildlife reserves, sanctuaries, parks, white water rafting and especially expedition is sought after by tourists. Since the state is 70% covered by hills with unsurpassed habitat for fragile species of both flora and fauna, it provides more space for nature based tourism besides tourists is catered by the distinct indigenous cultural flavor of the community, coupled with their cultural assets like dance, music, drama, fairs, festivals, temples etc. These aspects have induced the researchers to attempt this research work to bind various tourism offerings for effective ecotourism promotion in the state as an innovative and competitive tourism product.

Objectives of the Study

- To prepare an inventory of existing as well as potential tourist resources of the circuit.
- To conduct a situational analysis of identified villages.
- To study resident's attitude and their views about the impact of ecotourism development and
- To find out the tourist profile and their satisfaction level about amenities and facilities available in the destination area.

Survey Methods

The present study was conducted in the five villages of the Jaunsar region, namely- Koti-Kanasar, Indroli and Pattyr circuits, in order to assess the residents attitude towards ecotourism development and its impacts on the socio-economic edifice of their villages whereas the tourists has been spotted at major tourist destinations of the study area including Kanasar, Devban, Mundali and Chakrata. The sample size of the study was 200 consisting of 100 villagers and 100 domestic tourists as foreigners are not allowed in the region. The survey has been conducted using the structured questionnaire based on the categorical as well as scale variables based on the five point Likert scale.

Literature Review

There are a large number of books and research papers contributed on tourism, pilgrimage, trekking and mountaineering since very beginning (Singh, 1989; Hoon and Tiwari, 1985; Kuniyal et al., 2004; Jenkins and Henry, 1982; Latimer, 1985; Negi, 1997; Britton, 1982; Peters, 1980; Linton, 1987; Lee, 1987; Jenkins, 1987; Culpan, 1987 & Bagri and Gupta, 2001). Some writers have contributed on destination planning including parks, sanctuaries, water sports (Batta, 2003; Inskeep, 1987; Singh, 1989; Gunn and Var, 2002 & Parker, 2001). However, there is serious dearth of literature on nontraditional tourism including ecotourism, home stay tourism, rural tourism, and medical tourism. The growth of tourism has led the success of ecotourism and its importance was felt by many researchers for the conservation of nature and cultural attributes of the community living in the natural environs. However, it was considered to be a challenging task too to make effective ecotourism practice and implementation. Backman (2001) argues ecotourism needs an effective and efficient planning and policy development at all levels; as planning involves many actions, participants, fields of knowledge, levels of decision making and implementation (Branch, 1985; Gunn, 1994; Backman, 2001). Backman (2001) proposes a model of planning, development and management of ecotourism that maximizes the opportunity to solicit input from the various stakeholders groups who could potentially be affected by management decisions. Effective ecotourism management at the macro level has to be ensured effectively and fundamentally related to the existence of appropriate and realistic policy and planning framework (Fennell et al., 2001). Though much appreciations and importance is given to ecotourism, its practices, principles, monitoring and implementing mechanisms, it is understood that the ecotourists are the real custodians in conserving the natural and cultural treasures used for ecotourism promotion, incidentally, they are not motivated well and many researchers argue motivations will differentiate ecotourists from others and pave way for conservation of the aforesaid resources Crossley and Lee, 1994; Wight, 1996; Saleh and Karwacki, 1996).

Any talk about ecotourism is not complete until it takes into account the participation and involvement of local population - ecotourism should exert positive impacts and minimize negative impacts on the host community so that the local population may come to like the presence of tourism, which is inevitable for its long-term prospects. ecotourism is likely to have the greatest socio-cultural impacts on small, isolated communities (Pearce, 1994) which themselves are one of the tourist attractions. However there are a number of challenges that host

communities usually experience in pursuing ecotourism development (Wearing, 2001; Valentine, 1987). The local communities should be involved in the process of ecotourism development and profit from such programme must flow back into local community. Incidentally most forms of ecotourism in developing countries are mainly owned by foreign investors and corporations that provide few benefits to local communities (Vivanco, 2002). Ecotourism is often found in designated protected areas or national parks which may have been imposed upon the indigenous population and if they can see no benefit from its existence, they may have little incentive to adhere to the environmental regulations of the "common pool" resource (Hardin, 1968; Healy, 1994; Bird, 1997). Culture attributes of the region's community has become an important component of ecotourism especially in terms of inter-disciplinary aspects of tourism development, as it involves fairs and festivals, cultural events, visits to historical sites, dance and music, travel to pilgrimages etc which could be performed to and by tourists who are motivated by cultural intent. It is also about the lifestyle of the local people which exhibits the identity of the concerned (Bagri & Gupta, 2001; Purohit, 2001). Culture as a tool for sustainable tourism practices have been prioritized for alleviating poverty and ensuring growth and development (Khandari and Gussain, 2001). Remote communities' cultural resources are perhaps the effective tool for developing ecotourism which in ensuring proper benefit to them (Bagri and Gupta, 2001; Khandari and Gussain, 2001). Ecotourism does not mean only nature based areas, but also rural archaeological sites, crafts, folklore, songs and music of the community (Singh, 1989; Benson and Sutherland, 2007). Package, focusing on traditional cultural aesthetic of the community shall be a value added benefit for ecotourists (Linton, 1987).

Motivation of ecotourists becomes imperative to better understand the natural history, geography and culture of the place they have travelled while subsequently ensuring community development and educating them about the significance & conservation of cultural sites (Negi, 1997). When visitors are properly educated, ecotourism can be a positive force in sustaining the natural, historic and the cultural environment (Bagri and Gupta, 2001). The chance of negative repercussions on the culture of hosts and cultural sites shall likely happen when it is blended with ecotourism, though ecotourists are educated and generally professionals with a high degree of education, a shift in the lifestyle of the community can be seen. The balance in socio-cultural beliefs shall put the society in dilemma. However, if it is planned accordingly with sustainable practices, letting the community to involve in all important decision making levels to manage and develop the same, shall ensure dual development of tourism and community.

The relationship between culture, history and heritage was dealt by many experts including (Ryan and Huyton, 2002; Espeitx, 2004). Such a significant relationship has raised the expectations of the visitors seeking authentic experiences which are rightly recorded by (Duman and Kozak, 2009). Further, such extension of expected services to the arriving tourists by the local community shall alleviate poverty and ensure positive economic development. Further, the cultural of community is viewed and accepted as a source of revitalizing community economy. While extending such cultural significances and its associated attributes to tourists, the chances of negative impacts on both stakeholders are more likely to happen (UNWTO, 2007).

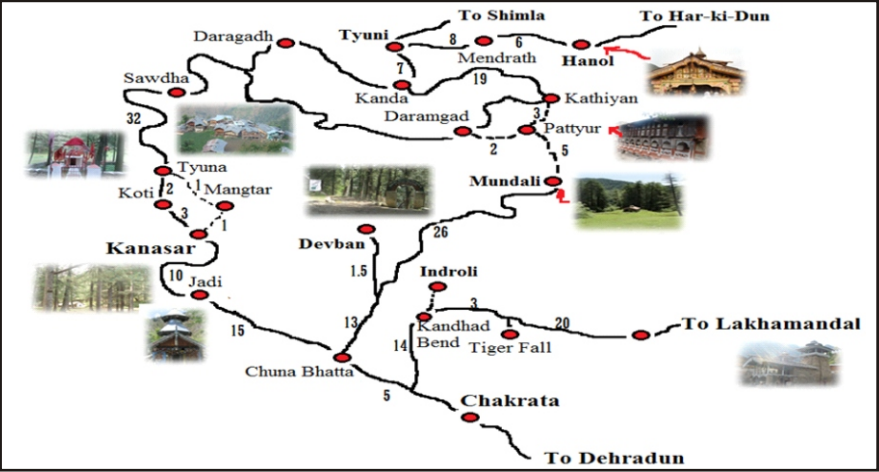
About the study area

The Koti-Kanasar, Indroli, Pattyur tourist circuit, situated in district Dehradun of Uttarakhand, has many tourist attractions like unsurpassed natural beauty, architecturally rich houses, and vibrant culture and traditions of local residents to quench the desire of the tourists looking for an unmatched ecotourism experience. It is the heart of the Jaunsar region of Uttarakhand state. The area's landscape and unique cultural heritage offers ample opportunities for nature and adventure tourism in the rural environs, also has opportunities for trekking, hiking, nature tours aimed at educating the significance of nature and its conservation, religious significance, photography besides vibrant culture and architecturally rich settlement pattern of the surrounding villages. These aforesaid places were identified under ecotourism scheme of Ministry of Tourism, Government of India to promote ecotourism in the area.

The native of this area are commonly known as Jaunsaris. The Jaunsaris claim to be the descendants of Pandavas of the Mahabharat period. People live in joint families and were under the influence of polygamy and polyandry in past. The custom owes its origin to the Pandavas who treated Dropadi as a wife of all five brothers. The process of marriage is initiated by the family of groom and the marriage ceremony is hosted at the groom's house. However, with the increase in the literacy rate and wide exposure to the outside world there is almost no signage of polygamy and polyandry among new generation and is almost vanished from here.

Indroli, the seat of goddess Mahakali is believed to be the most sacred among the deities of whole Jaunsar region and is the base for Devban medicinal plant conservation area which can be reached by a 3 km trek. Devban is famous for its 360 degree view of Himalayan peaks, offers an opportunity to witness the snow clad mountain peaks besides having the close view of long stretched valleys.

Roadmap of Koti-Kanasar, Indroli Pattyur Circuit
(Map not to the Scale)



Tourism attractions of the study area

Owing to its mesmerizing natural bounty and rich cultural ecology, Koti-kanasar is the prime attraction of this tourism circuit. Ecotourism is increasing by leaps and bounds and much of the people in and around Dehradun, Delhi and other nearby towns have started to come to these locations during weekend periods for fun and frolic as well as to visualize the heritage of this unexplored tiny hamlet. The tourist attractions of Koti-Kanasar- Indroli-Pattyur circuit can be summarized as shown in the table no. I and II.

Table: I - Tourist Attraction of Koti-Kanasar

Name of the Attraction	Description
Kanasar	Situated at an altitude of 2380m from sea level and surrounded by some of the thickest and oldest deodar trees of Asian subcontinent Kanasar is an ideal location for nature lovers seeking peace and tranquility.
Budher Gufa and Miola Top (2800m)	Located at a distance of 11 km from Kanasar, limestone caves of Budher are spread over 100 Km. These caves are believed to be the escape route of Pandavas from <i>Lakshagrih</i> . The walls and the floor of these caves are full of limestone carvings of different shapes and sizes. These caves have been discovered by a German explorer named Miola. The roof of these caves is covered by mesmerizing alpine meadow. A small lake in the middle of this meadow adds the charm to its beauty. It can be reached by undertaking a 2.5 km trek from road head.
Village walk	A hike from Kanasar to village Mangtar, Tyuna and Koti is worth to undertake in order to have a glimpse of unique wooden house architecture and rich traditions of local people.

Table: II- Tourist Attraction of Indroli and Pattyr

Name of the Attraction	Description
Tiger Fall	This thundering waterfall can be accessed by undertaking a 3 km trek or a 14 km motor ride from Chakrata and is situated on way to village Indroli.
Mahakali Temple	The Famous Temple of goddess Mahakali is situated at Indroli village. A big fair takes place every year on first sunday of the Hindu calander month of <i>Jyestha</i> (May). The fair is witnessed by a large number of people from whole Jaunsar region. Another temple dedicated to goddess Mahakali is situated at Jadi village on Chakrata- Kanasar road at a distance of 18 km from chakrata.
Mundali	The lush green alpine meadow of Mundali is located at a distance of 40 km from Chakrata. It can also be accessed by covering an 8 km trek from village Pattyr. Apart from trekking and rock climbing further possibilities of skiing is being explored at Mundali. Although the slopes are fine, but the presence of large number of bushes and the inaccessibility during winter dampens the further possibility of snow skiing at Mundali.
Devban	It is located at a trekking distance of 3 Km from Indroli and situated at an altitude of 3000 m above sea level. The <i>Samadhi</i> of <i>Vyas Muni</i> (who composed the Mahabharata) is also located here. It provides a 360° view of Himalayan peaks and close view of long stretched valleys. The dense forest of Deodar and Spruce is home to a number of Himalayan birds. The area falls under Medicinal Plant Conservation Area (MPCA) and a Hi-Tech nursery of medicinal plant is worth to visit.

POSSIBLE TOURISM ACTIVITIES AT THE STUDY AREA

Tourism Activity	Spots	Infrastructure	Manpower
Trekking	<ul style="list-style-type: none"> • Koti-Devban • Koti- Budher • Indroli-Devban • Indroli-Tigerfalls • Pattyr-Mundali 	Trails are very attractive but needs signage in order to disseminate information on the natural value including important floral wealth. Some of the routes especially Budher trek route required to be paved with stone <i>Khandja</i> (small stone pebbles patched on trekking trail without cement) in order to stop the erosion.	Semiskilled Guides are available and they need in-depth training on soft skills and visitor interpretation.
Hiking	<ul style="list-style-type: none"> • Kanasar-Mangtar-Tyuna • Indroli-Kandhad • Around the village Pattyr 	A Nature/culture Interpretation center should	
Bird Watching	Forests surrounding Kanasar, Vyas Shikhar and Budher		

		Devban and Mundali. Demarcation of the bird watching areas is required. <i>Machans</i> (stand post of 15 to 16 feet height) and view points should be developed at such places.	
Skiing	Mundali	The vast slopes of Mundali with heavy snow fall in winters offer ideal opportunity for skiing. However the bushes in the slopes should be eradicated for uninterrupted skiing experience.	Provision for Skiing equipments can be made by Uttarakhand Forest Department or Uttarakhand Tourism Development board at Mundali.
Rock Climbing/ Rappelling	Devban	Devban offers an ideal location for rock climbing and rappelling down. Incidentally there is dearth of instructors for conducting such activities.	Capacity building programmes may be conducted for local youths interested in becoming instructor for these activities. However, climbing equipments can be hired by Department of Forest.
Participation in the Events	Jadi, Budher, Pattayur and Koti	Such events are the part of the colourful lifestyle of the inhabitants of <i>Jaunsar</i> region.	These events are often connected with religious beliefs of the residents. However, as of now people are deviated from such practices.

Research Findings & Discussions

Survey of Local Population

Table:1- Demographic Profile of the Sample Population

Demographic Variable	Percentage	Mean	Standard Deviation
Age			
Below 18	24	2.27	.97292
18-35	38		
36-50	25		
Above 50	13		
Gender			
Male	75	1.25	.43519
Female	25		

Marital Status			
Married	51	1.49	.50242
Unmarried	49		
Educational qualification			
Illiterate	13	2.86	1.28723
Metric	38		
10+2	12		
Graduate	24		
Post Graduate	13		
Occupation			
Farming	50	1.60	.73855
Animal husbandary	45		
Other	5		

The table shows the age of respondents and it reveals that about 24% belongs to below 18 yrs age group; 38% belongs to 19-36 years; 25% belongs to 36-50 years whereas 25% belongs to age group of more than 50 years. The data shows standard deviation value of .97292 which points out that data has dispersed from its central value by .97292. The table depicts the gender of respondents which shows that out of 100 respondents interviewed there were 75% male and 25% female. The data shows standard deviation value of .43519 which points out that data has dispersed from its central value by .43519. As regards to the marital status of respondents, it was found that out of 100 people surveyed, 51 % were married whereas 49% were unmarried. The value of standard deviation was .50242 that shows that the data is dispersed from its central value by .50242. The table depicts the education qualification of 100 respondents interviewed, in which 13% were illiterate, 38% were metric, 12% were intermediate, 24% were graduates and 13% were post graduates. The data shows standard deviation value of 1.28723 which points out that data has dispersed from its central value by 1.28723.

While knowing the occupation of the surveyed audience, it was revealed that 50% people were engaged in farming, 45% were associated with cattle rearing while remaining 5% were involved in other professions. The value of standard deviation was found to be .73855 which shows that the data is deviated from the central value by .73855

Residents' perception about the Impacts of Tourism

Table: 2 Economic Impacts

Statement	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)	Mean	Standard Deviation
More tourists visit your village after ecotourism status	34	30	13	13	10	2.35	1.336

Ecotourism has created jobs in the village	12	60	9	13	6	2.41	1.055
Jobs created are not good	7	11	13	56	13	3.57	1.075
Incomes of villagers have increased	6	36	12	33	13	3.11	1.205
Prices have increased with coming of tourists	13	15	59	-	13	2.85	1.137
Roads have been developed for tourists	5	8	9	38	40	4.00	1.128

On knowing the increased frequency of visiting tourists after obtaining ecotourism status, 34% and 30% respondents were strongly agreed and agreed with the statement followed by 13% people were neutral over the issue. About 13% and 10% respondents were disagreed and strongly disagreed with the statement. The standard deviation was recorded 1.128 and it shows that the data is dispersed from its central value by 1.128. In finding out the details about the available opportunities through ecotourism promotion from 100 respondents it was noticed that 12.0% and 60.0% respondents were strongly agreed and agreed with the statement that ecotourism has created jobs. However, 9.0% respondents were neutral on this issue. But 13.0% and 6.0% respondents were disagreed and strongly disagreed with the statement. The standard deviation was recorded 1.055 and it points out that the data is dispersed from its central value by 1.055.

In order to know that the favorable quality of jobs, 7% and 11% respondents were strongly agreed and agreed with the statement whereas 13.0% respondents were neutral followed by 56.0% and 13% respondents were disagreed and strongly disagreed respectively with the statement. The standard deviation was recorded 1.075 and it points out that the data is dispersed from its central value by 1.075. While knowing the role of ecotourism in income enhancement of villagers it was most surprising to mention that none of the 100 respondents of the village were strongly agreed and agreed with the statement that income of villagers was increased through rural tourism, but 12.0% respondents were neutral with the statement that income of villagers was increased whereas 33.0% and 13.0% respondents were disagreed and strongly disagreed with the statement that income of villagers was increased. The standard deviation was recorded 1.205 and it points out that the data is dispersed from its central value by 1.205.

On being asked about the increased prices of goods and services on account of tourist arrival in Koti-Kanasar, Indroli, Pattyur circuit 13.0% and 15.0% respondents were strongly agreed and agreed respectively with the statement followed by 59.0% neutral respondents. None of the respondents were neutral. But 13.0% respondents were strongly disagreed with the statement that prices have increased with tourist arrival. The standard deviation is recorded 1.137 and it indicates that the data is dispersed from its central value 1.137.

Table: 3 Socio- Cultural Impacts

Statement	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)	Mean	Standard Deviation
Tourism has helped us in preserving and promoting our uniqueness as identified by ministry	13	25	39	13	10	2.82	1.131
We take pride as identification of our village for tourism	85	15	-	-	-	1.15	.3588
We learn new things from tourists	26	24	29	8	13	2.58	1.311
Tourism is disturbing our age old traditions, not a good thing	25	5	10	24	36	3.41	1.608
The villagers actively participate to help tourists	21	6	32	35	6	2.99	1.121
There is no scheme of involvement of villagers in tourism	13	12	6	34	35	3.66	1.401
NGO is very helpful	13	12	36	13	26	3.27	1.324
Tourists are using things that belong to us	9	12	11	43	25	3.63	1.236
Village is becoming crowded	12	25	11	46	6	3.09	1.198
Bad behaviour such as thefts, alcoholism, drug abuse have increased with tourism	13	13	12	47	25	3.48	1.344

On knowing the role of tourism in preserving and promoting the uniqueness of the study area as identified by the Ministry of Tourism Government of India, 13.0% respondents were strongly agreed, 25.0% were merely agreed, 39.0% respondents were neutral, 13.0% were disagreed and 10% respondents were strongly disagreed with the statement that tourism has helped the region by promoting its uniqueness

as identified by the ministry. The standard deviation was recorded 1.131 and it shows that the data is dispersed from its central value by 1.131. On one of the important statement "How do the villagers take pride in identification of their village for tourism" it was revealed that 85.0% respondents were strongly agreed followed by 15.0% agreed. Incidentally, none of the respondents were neutral, disagreed and strongly disagreed on this issue. The standard deviation was recorded .3588 and it indicates that the data is dispersed from its central value by .3588.

Learning new things and getting innovative ideas from tourists was also one of the questions raised before the local people. Surprisingly only 26.0% respondents were strongly agreed on this question followed by 24.0% agreed villagers. Only 29.0% respondents remained neutral whereas 8.0% respondents were disagreed and 13.0% respondents were strongly disagreed. The standard deviation was recorded 1.311 which indicates that the data was dispersed from its central value by 1.311. While trying to know from villagers how tourism is disturbing their age old traditions, 25.0% out of total 100 respondents were strongly agreed, 5.0% were agreed and 10.0% respondents remained neutral. However, 24.0% respondents were disagreed and remaining 36.0% and respondents were strongly disagreed. The value of standard deviation was recorded 1.608 which shows that the data was dispersed from its central value by 1.608.

'Do the villagers actively participate to help tourists' was the next question before the villagers and 21.0% respondents expressed their strong consent whereas 6.0% respondents were simply agreed with the statement. There were about 32.0% respondents who were neutral on this question followed by 35.0% disagreed 6% strongly disagreed respondents. The standard deviation was recorded 1.121 and it shows that the data was dispersed from its central value by 1.121. On being asked about the Government Tourism Promotional Schemes for the involvement of local people in tourism, 13% were strongly agreed and 12% were agreed with the statement. 6% respondents were neutral over the issue. There were about 35% respondents disagreed and 34% were strongly disagreed with the statement. The standard deviation was recorded 1.401 and it shows that the data was dispersed from its central value by 1.401.

While judging the degree of helpfulness of NGO's in the village, 13% respondents were strongly agreed and 12% were agreed with the statement. Incidentally, 36% were neutral over the issue. 13% respondents were disagreed and 26% were strongly disagreed. The value of standard deviation was 1.324 and it indicates that the data was

dispersed from its central value by 1.324. While asking the villagers about the tourist preferences of goods and services offered by villagers, 9.0% and 12.0% respondents were strongly agreed and agreed, whereas 11.0% respondents were neutral. Further, 43.0% respondents were disagreed and 25% respondents were strongly disagreed. The value of standard deviation was 1.236 and it indicates that the data was dispersed from its central value by 1.236.

On inquiring from the villagers about the problem of increased crowd on account of tourist movement it was noticed that 12.0% respondents strongly favoured it while 25.0% respondents were simply agreed, 11.0% respondents were neutral, 46.0% respondents were not favouring this and 6% respondents were strongly disagreed with the statement that their village has become crowded on account of tourist arrival. The standard deviation was 1.198 and it shows that the data was dispersed from its central value by 1.198. Proliferation of negative social evils such as thefts, alcoholism, drug and abuse normally take place on account of increased tourist traffic. Koti-Kanasar, Indroli, Pattiur circuit though is traditionally rich and the inhabitants are almost god fearing and don't encourage such activities. But on getting the people interviewed it was observed that 13.0% each respondents were strongly agreed and agreed with the statement whereas 12.0% respondents were neutral. But 37.0% respondents were not supporting this statement followed by 25.0% respondents who strongly opposed the emergence of such problem over here. The standard deviation was 1.344 and it shows that the data was dispersed from its central value by 1.344.

Table: 4 Environmental Impacts

On receiving increased number of tourists, the circuit does not

Statement	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)	Mean	Standard Deviation
Garbage has increased	25	50	12	13		2.13	.93911
Vehicular pollution has increased	25	37	12	13	13	2.52	1.344
Natural resources are better managed for tourists	13	13	37	24	3	3.11	1.188
More cleanliness is maintained	11	35	27	15	12	2.82	1.183

maintain required standards of hygiene and sanitation. Local people have been witnessed in making remarks against the concerned organization for ineffective policy measures to keep the place free from garbage and pollution. On interviewing the local people it was noticed that only 25.0% respondents favoured it strongly whereas quite a large number of respondents i. e. 50.0% were simply accepting the severe problem of garbage during tourist season. But 12.0% respondents remained neutral and only 13% was disagreed with the statement. The standard deviation was recorded .93911 and it points out that the data was dispersed from its central value by .93911.

While attempting to know the role of vehicles in increasing the level of pollution, 25.0% and 37.0% respondents were strongly agreed and simply agreed respectively whereas 12.0% respondents were neutral on this question. 13% were strongly disagreed with the statement. The standard deviation was 1.344 which points out that the data was dispersed from its central value by 1.344. Promoting natural resources in accordance to the expectation of tourist is undoubtedly a challenging task. At present Department of Forest, Government of Uttarakhand keeps close vigil on people go around tourist places and take action who do not follow the prescribed and promulgated the 'do's and Don'ts' issued by Department of forest and Wildlife from time to time. In knowing the local people's views 13.0% each respondents were strongly agreed and agreed and satisfied with the role of stakeholders in the promotion of tourist resources. Incidentally, 37.0% respondents were neutral, 24% of the respondents were disagreed and 13% were strongly disagreed. The standard deviation was 1.188 and it indicates that the data was dispersed from its central value by 1.188.

To upkeep the surroundings of services and goods outlets as per the tourist perception and expectation as well as to make them free from any form of pollution are prerequisites for the sustainable tourism promotion. In order to know the image of the study area in terms of this it was noticed that 11.0% respondents were strongly favouring it but half of the total respondents 35.0% were simply supporting that villagers maintain cleanliness in and around tourist destinations. A good percentage of 27.0% were neutral, 15.0% respondents were disagreed, and 12% were strongly disagreed with the statement that the problem of cleanliness still persists over here. The standard deviation was 1.183 and it shows that the data was dispersed from its central value by 1.183.

Survey of Visiting Tourists

Table: 5 Tourists Demographic Profile

Demographic Variable	Percentage	Mean	Standard Deviation
Age			
Below 18	6	2.54	.881
18-35	54		
36-50	20		
Above 50	20		
Gender			
Male	60	1.4	.49237
Female	40		
Marital Status			
Married	70	1.3	.4605
Unmarried	30		
Educational qualification			
Illiterate	12	3.86	1.3781
Metric	8		
10+2	6		
Graduate	30		
Others	44		
Occupation			
Service Class	32	2.68	1.324
Agriculture	12		
Business	12		
Other	44		

The table shows the age of respondents and reveals that about 6% belongs to below 18 yrs age group; 54% belongs to 18-35 years; 20% belongs to 36-50 years whereas 20% belongs to age group of more than 50 years. The mean was found to be 2.54. The data shows standard deviation value of .881 which points out that data has dispersed from its central value by 0.881. The table depicts the gender of respondents which shows that out of 100 respondents interviewed; about 60% were male whereas 40% were female. The mean was found to be 1.4. The data shows standard deviation value of 0.49237 which points out that data has dispersed from its central value by 0.49237.

The table shows the marital status of respondents in which 70% were married whereas 30% were unmarried. The mean was found to be 1.3. The value of standard deviation was found to be 0.4605 that shows that the data is dispersed from its central value by 0.4605.

The table depicts the education qualification of respondents and shows that about 12% illiterate, 30% metric, 6% intermediate, 30%

graduates and 13% post graduates qualification. The mean was found to be 3.86. The data shows standard deviation value of 1.3781 which points out that data has dispersed from its central value by 1.3781. As regards to the occupation of visiting tourists 32% were of service class profession, 12% from agriculture sector. 12% were of business profession and remaining 44% from other professions. The mean was found to be 2.68. The value of standard deviation was found to be 1.324 which shows that the data is deviated from the central value by 1.324.

Travel related Information

The following table 6 represents the travel related information shared by the survey audience. In order to find out the details of their visit, 30% motivated for rural experience, 38% came for holidays, 10% opted for nature, and 10% opted as part of package tour whereas remaining 25% came for other reasons. The mean was found to be 2.3600. The value of standard deviation was 1.32969 which shows that the data has scattered from the central value by 1.32969.

On enquiring about the nature of their visit, 20% respondents were travelling alone whereas 80% were traveling in a group. The mean was found to be 1.8000. The value of standard deviation was found to be .40202 which shows that the data has scattered from the central value by .40202.

On being enquired about the travel group; 30% were with their family members, 46% found with the company of friends, 14% were in the package tour group whereas 10% were in the company of like-minded people who came in contact during the visit. The mean was found to be 2.0400. The value of standard deviation was recorded as .92025 which shows that the data has scattered from the central value by .92025.

While knowing about the problem faced during the period of travelling, merely 13% respondents faced with problems whereas 87% respondents found it enjoyable and without any travel hassel. The mean was found to be 1.8300. The standard deviation's value was found to be .37753 which shows that the data has scattered from the central value by .3773.

Table: 6 Information about the present Visit

Variables	Respondents (100)	Percentage	Mean	Standard Deviation
Main purpose of your visit?				
Rural experience	30	30.0	2.3600	1.32969
Holiday	38	38.0		
Part of package tour	10	10.0		
Nature oriented	10	10.0		

Other	12	12.0		
Travelling alone or in a group?				
Alone	20	20.00	1.8000	.40202
Group	80	80.00		
With whom are you travelling?				
Family	30	30.0		
Friends	46	46.00	2.0400	.92025
Tour	14	14.00		
Group				
Other	10	10.0		
Have faced any problem in reaching this site?				
Yes	17	17.00		
No	83	83.00	1.8300	.37753
How long will you stay here?				
1 night	14	14.0		
2-3 night	6	6.0		
More	2	2.0	3.4400	1.10390
No stay	78	78.0		
How did you reach here?				
Private car	43	43.0		
Chartered	19	19.0		
bus/car			2.0600	1.07139
Tour coach	27	27.0		
Motorbike	11	11.0		
Will you stay in the village?				
Yes	67	67.00		
No	33	33.00	1.6200	.48783
Is good accommodation available?				
Yes	70	70.00		
No	30	30.00	1.6500	.47937

Knowing about the length of stay in the villages, 14% respondents preferred to stay single night, 6% respondents liked to avail two or three nights, 2% choiced to halt here more than 2-3 nights whereas 78% instead of staying in villages returned back to the places of their origin. The mean was found to be 3.4400. The standard deviation's value was found to be 1.10390 which shows that the data has scattered from the central value by 1.10390.

Getting information about mode of transportation to reach this place, 43% respondents came by car, 19% used chartered bus/car, 27% availed tour coach and remaining 11% preferred to come by motorbike. The mean was found to be 2.0600. The value of standard deviation was found to be 1.07139 which shows that the data has deviated from the central value by 1.07139.

In knowing the intention of tourist to stay at villages if suitable

amenities and facilities are provided, 38% respondents were agreed whereas 62% expressed their inability. The mean was found to be 1.6200. The standard deviation's value was found to be .48783 which shows that the data has scattered from the central value by .48783.

How do you rate the present status of accommodation facilities available in the villages, 26% respondents were satisfied whereas 74% were not comfortable with the existing accommodation facilities. The mean was found to be 1.6500. The value of standard deviation was recorded as .47937 which shows that the data has deviated from the central value by .47937.

Table: 7 Awareness about Ecotourism

Variables	No. of Respondents (100)200	Percentage	Mean	Standard Deviation
Are you aware that this village is part of ecotourism project of Government of India?				
Yes	40	40.0	1.6000	.49237
No	60	60.0		
Do you know why?				
Yes	24	24.0	1.7600	.42923
No	76	76.0		
Have you come here for rural holidays?				
Yes	47	47.0	1.5300	.50161
No	53	53.0		
How many times you have been to rural holidays?				
Once	20	20.0	3.1000	1.45297
Twice	20	20.0		
Thrice	10	10.0		
More	30	30.0		
None	20	20.0		
Have you been to this village before?				
Yes	20	20.0	1.8000	.40202
No	80	80.0		
How did you come to know of this village?				
Advertisement	9	9.0	3.2300	1.72829
Friends	43	43.0		
Travel agents	10	10.0		
Travel magazines	15	15.0		
Websites	23	23.0		
Other	-	-		

Inquiring about the general awareness of the visiting tourists about the inclusion of inclusion of Koti-Kanasar circuit under the ecotourism project of Govt. of India, 40% tourists were aware of this whereas 60% tourists were recorded unknown. The mean was found

to be 1.6000. The value of standard deviation was found to be .49237 which shows that the data has deviated from the central value by .49237. When knowing about the reason of its inclusion in the Govt. of India project, 24% were agreed with all details whereas 76% were hardly aware of the reason. The mean was found to be 1.7600. The value of standard deviation was recorded as .42923 which shows that the data has deviated from the central value by .42923.

In finding out the details regarding their visit, 47% were of the view that they visited Koti-Kanasar circuit for a variety of factors related to ecotourism whereas 53% denied their purpose of visit as for rural tourism. They just made their mind-set to see the thick vegetation and to enjoy the enchanting mountain milieu. The mean was found to be 1.5300. The value of standard deviation was found to be .50161 which shows that the data is deviated from the central value by .50161.

Knowing the travel frequency and their experience with ecotourism it was found that 20% respondents have experienced ecotourism only once, 20% have experienced it two times, 10% have experienced it three times, 30% respondents have experienced it more than three times whereas remaining 20% did not have experience it before. The mean was found to be 3.1000. The standard deviation's value was found to be 1.45297 which shows that the data has scattered from the central value by 1.45297.

In order to know about their visit to Koti-Kanasar circuit earlier, the data shows that 20% respondents already visited this circuit prior to the current visit whereas 80% respondents visited for the first time. The mean was found to be 1.8000. The value of standard deviation was found to be .40202 which shows that the data has scattered from the central value by .40202. How do they come to know about this circuit, 9% tourist traffic come to know from advertisements, 3% respondents were motivated by their friends, 10% were informed by travel agents, whereas 15% respondents coined brochure as their source whereas 23% answered newspapers/magazine as a source of information. The mean was found to be 3.2300. The standard deviation's value was found to be 1.72829 which shows that the data has scattered from the central value by 1.72829.

Table: 8 Appraisal about the facilities and amenities by the tourists

Tourists Impacts	Very Good	Good (%)	Moderate (%)	Poor (%)	Very Poor(%)	Mean (%)	S.D.
Accommodation	5	9	16	42	28	3.7900	1.10367
Availability of information	9	20	39	20	12	3.0600	1.11754
Local villagers as guides	20	50	20	10	-	2.2000	.87617
Shops for daily provisions	5	17	36	14	28	3.4300	1.20818
Cafe/Eating facility	8	18	29	18	27	3.3800	1.27747
Toilets	7	15	19	25	34	3.6400	1.28330
Roads	10	28	38	16	8	2.8400	1.07045
Recreation	8	17	26	31	18	3.3400	1.19104
Attitude of villagers	28	33	20	10	9	2.3900	1.24637
Cleanliness in the village	29	45	7	13	6	2.2200	1.17705
Local craft	28	38	19	10	5	2.2600	1.12474

Koti-Kanasar, Indroli, Pattayur circuit enjoys a good number of forest rest houses besides having a couple of private properties but there is still a serious dearth of quality accommodation accommodation units. In view of this while knowing the attitude of surveyed about the accommodation facilities, only 5% respondents rated it 'very good', 9% responded 'good', 16% respondents opined 'moderate', 42% treated it as 'poor' whereas 28% ranked the facilities as very poor. The mean was found to be 3.7900. The value of standard deviation was found to be 1.10367 which shows that the data has deviated from the central value by 1.10367.

The local people have got all updated information and provide available information to tourists. But on inquiring the details it was found that 9% respondents found required information 'very good', 20% rated it 'good', 39% ranked it 'moderate', 20% told it as 'poor' whereas 12% felt it 'very poor'. The mean was found to be 3.0600. The value of standard deviation was 1.11754 which shows that the data has deviated from the central value by 1.11754.

Guiding is a common profession by all skilled personnel of Koti-Kanasar circuit. However to know their guiding skills and professionalism, 20% respondents were happy with the services given by the local people as guide, 50% people felt the services as good, 20% rated them of moderate quality whereas 10% viewed them as poor. The mean was found to be 2.2000. The standard deviation's value was .87617 which shows that the data has scattered from the central value by .87617.

Being the rural set-up the circuit faces the problem of daily need items and on account of only 5% respondents judged the available provisional stores as 'very good', 17% ranked them merely 'good', 36% ranked them 'moderate', 14% categorized them 'poor' whereas 28% judged them 'very poor'. The mean was found to be 3.4300. The standard deviation's value was recorded as 1.20818 which shows that the data has scattered from the central value by 1.20818.

When asked about ranking the catering outlets like eateries, 8% categorized them 'very good', 18% judged it 'good', 29% graded them 'moderate', 18% ranked them 'poor' whereas 27% rated these eateries 'very poor'. The mean was found to be 3.3800. The value of standard deviation was 1.27747 which shows that the data has deviated from the central value by 1.27747.

Having been the rural location there is serious dearth of hygienic toilet facilities in the places of tourists stay. But keeping in view the location and mind-set of local 7% respondents ranked them 'very good', 15% judged the toilets facilities 'good', 19% felt the toilets facilities 'moderate', 25% categorized them 'poor' whereas 34% rated them 'very poor'. The mean was found to be 3.6400. The value of standard deviation was 1.28330 which shows that the data has deviated from the central value by 1.28330. As stated in the introductory section Koti-Kanasar is located on Chakrata-Tyuni-Arakot-Shimla road on account of this there is frequent traffic on this road throughout the year. But on knowing the views of tourists it was revealed that 10% of total respondents found the roads 'very good', 28% judged the roads 'good', 38% ranked the roads 'moderate', 16% evaluated the roads 'poor' whereas 8% graded the roads 'very poor'. The mean was found to be 2.8400. The standard deviation was recorded as 1.07045 which shows that the data has scattered from the central value by 1.07045.

The Jaunsar region exhibits a very rich culture its folk songs, dances and costumes are famous all over the country. But, the tourists visiting the festival season during winter period only can witness the lively performance of the true Jaunasari culture. However, few accommodation properties in Chakarata are arranging Jaunsari cultural nights for their clients but it only represents the staged authenticity of actual event taking place in the real environs. Since a least number of tourists come across the real cultural treasure of the region therefore, only 8% respondents rated recreational facilities 'very good', 17% responded 'good', 26% ranked them 'moderate', 31% judged them 'poor' whereas 18% ranked the recreational facilities very poor. The mean was found to be 3.3400. The value of standard deviation was 1.19104 which shows that the data has

deviated from the central value by 1.19104.

The local people are very honest and humble and above all hospitable. In view of this when enquiring their attitude towards the visiting tourists it was revealed that; 28% tourist ranked the attitude of local people 'very good', 33% ranked it 'good', 20% found it 'moderate', 10% judged 'poor' whereas 9% graded 'very poor'. The mean was found to be 2.3900. The value of standard deviation was recorded 1.24637 which shows that the data has deviated from the central value by 1.24637.

Because of having rural setup and agriculture profession local people are little bit careless about hygienic standards and because of that only 29% respondents felt the cleanliness around the village 'very good', 45% ranked it 'good', 7% found it 'moderate', 13% ranked it 'poor' whereas 6% judged it 'very poor'. The mean was found to be 2.2200. The value of standard deviation was recorded as 1.17705 which shows that the data has deviated from the central value by 1.17705.

Because of having agriculturally rich houses since the days of yore, there is ample scope of wood carving and interrelated handicrafts. In view of this 28% ranked the handicrafts 'very good', 38% graded it 'good', 19% ranked it 'moderate', 10% judged it 'poor' whereas 5% felt it 'very poor'. The mean was found to be 2.2600. The value of standard deviation was recorded as 1.12474 which shows that the data has deviated from the central value by 1.12474.

Table: 9 Visitors overall Impression

Statement	Yes(%)	No (%)	Mean	S.D.
Did you enjoy the visit?	61	39	1.3900	0.49021
Will you come again?	70	30	1.3	0.4605

After having a long interaction with visitors an attempt was made to know their overall impression. In knowing it we tried to know their overall views by asking them two questions. The first question was related to know the level of their happiness on the basis of their satisfaction and surprisingly 70% respondents experienced their journey really enjoyable whereas 30% respondents found the journey little bit bored. The mean was found to be 1.3900. The value of standard deviation was 0.49021 which shows that the data has deviated from the central value by 0.49021.

While trying to know their intention to come back again in the study circuit, 70% respondents answered in a positive way whereas 30% were not interested to visit again in the village. The mean was found to be 1.3. The value of standard deviation was recorded 0.4605 which shows that the data has deviated from the central value by 0.4605.

The study reveals that the area has enough and varied tourism attractions that provide range of touristic activities to quench the desires of the tourist visiting the region. Koti-Kanasar is situated in the perfect bounty of the mother earth is famous for the dense alpine forest which is home to some of the most thickest and oldest deodar trees and a variety of avifauna. Kanasar provides opportunities for trekking, hiking, educational nature tours, Photography and above all the chances to understand the vibrant culture and architecturally rich settlement pattern of the surrounding villages. Indroli is the seat of goddess *Mahakali* which is believed to be the most sacred among the deities of whole Jaunsar region. However, Indroli village does not have any other significant attraction except *Mahakali* temple. It is the base for Devban Medicinal Plant Conservation Area which can be reached by undertaking a 3 km trek from the village. Devban is famous for its 360° view of Himalayan peaks that offers an opportunity to see the snowcapped mountain peaks besides having the close view of long stretched valleys. As of now Devban has been connected with a 14 km road to Chakrata and the interested tourists are taking this route and thus skipping Indroli village. This village is rarely witnessing tourists except the local people visiting *Mahakali* temple on Sundays. Similarly, the major attraction of village Pattyur is the lush green mountain meadows of Mundali which offer opportunity of snow skiing through its vast slopes during snow fall. Alike Indroli, Pattyur is also being ignored by tourists as they prefer to drive up to Mundali.

All the three villages lack the basic tourism infrastructure (hardware components) which is the major constraint in the development of tourism. The tourism potential of the area can be reaped by developing the basic amenities and properly promoting the area in tourist market. The study further reveals that tourism related activities in the area have grown rapidly over the past one decade, especially in and around Koti-Kanasar that serves as the base for most visitors to this circuit. Being in the close proximity with tourist market, Koti-Kanasar is potential to become the touristic hub of the region. A regional approach was adopted for the assessment of possible ecotourism opportunities of the Study circuit. As learned during the field visits that except Kanasar, both Indroli and Pattyur village do not have a great variety of attractions or activities to offer, particularly for tourists who does not want to witness village life only. Destinations like Mundali, Devban and Budher were combined with the identified circuit add value to the product and appeal to a wider range of tourists. Based on this approach, types of tourists and related activities were proposed for the niche tourists interested in community based nature and adventure activities. From the survey results it was identified that tourists visiting the study circuit seek nature-based and community-based

experiences. These included visiting local villages, local historical temples, and undertaking soft-core adventure activities like trekking and hiking. These types of activities can be supported in the study area. While bird watching, nature photography and educational trips did not rate highly as an individual activity, it could suitably be incorporated into a tour with a variety of other activities.

Human resource skills and knowledge (software components) needed for the various ecotourism/ecotourism positions were identified. Tourism training and capacity building in a variety of areas would be required for tour guides, food providers, homestay providers, and jobs requiring ancillary training such as construction and organic farming. Currently a lack of training and/or education, technical skills and knowledge is seen as a major factor in the future successful development of ecotourism in the study area. To ensure the successful development and continued support for ecotourism, it is important to involve the community from the beginning to ensure a sense of ownership and a level of responsibility. Gaining an understanding of residents' attitudes towards tourism development will assist in the development of tourism options as well as highlighting possible issues and impacts. Residents of the study circuit felt that tourism could bring a positive impact to their community and suggested that a number of aspects hampering the further prospects of tourism development including a lack of infrastructure and public works (i.e. roads, electricity, communication system etc.) and tourism services such as accommodation and dining facilities.

Conclusion & Recommendations

The Koti-Kanasar, Indroli, Pattayur circuit is unique in its natural surrounding and cultural ecology and have all the qualities to attract high-value rural tourists, potential to successfully compete with other Himalayan destinations, to generate a substantial volume of income to local people of the study area. In the analysis of the survey questionnaire filled by the villagers of the study circuit, it turned out that majority of the local people are aware of the status of their villages as ecotourism destination and they feel proud of it. Further, it has been revealed by the survey of the local people that there is a gradual increase in tourist arrival in the area which has resulted in the employment of the local people in tourism related activities. However, the people believe that jobs thus created are low paying and seasonal in character. The study further reveals that income of the villagers has increased due to tourism development but no infrastructural changes were made by the government and other developmental agencies to support the tourist arrival. The negative impacts of tourism development are not visible in the area as it is in the embryonic stage in the study circuit.

In a nutshell, we can conclude that the study circuit has a vast potential for ecotourism development. But there is a need to develop the basic hardware components such as roads, accommodation and dining units, interpretation center, museum showcasing the natural and cultural heritage in order to increase the number of tourist arrival in the region. In addition to this, software components like proper designing and packaging ecotourism product, developing and conducting skill development programmes for stakeholders and creating activity specific marketing campaigns are essential to the sustainable development of ecotourism in the circuit.

1. The condition of the roads connecting area to the tourist market places like Dehradun and Mussoorie is depleted which is a major constraint in the development of tourism in the region.
2. Private accommodation and dining units shall be established in order to enhance the length of stay of the tourists in the region. Family homestays in the villages like Mangtar, Indroli and Pattyr can be a suitable option to overcome the scarcity of accommodation units.
3. In the destinations like Devban, Budher *Danda* and Mundali where private land is not available, Forest Department of the state may increase the bed capacity for the nature enthusiasts interested to stay there.
4. Provision for leasing out the equipments used in rock climbing/rappelling and skiing may be made at the forest rest houses either by Department of Forest or Eco-Development Committee at Devban, Budher and Mundali.
5. There is a need to establish an interpretation centre possibly at Kanasar in order to familiarize the tourists with the rich natural and cultural history of the region and it may be operated by the members of Ecotourism Development Committee.
6. Various activity specific itineraries should be developed and packaged by the Department of Forest and marketed by Uttarakhand Tourism Development Board through its corporate offices in the major metros of the country.
7. Activity specific capacity building programmes focusing on the soft skills of tourism and hospitality industry shall be organized from time to time for the local youths interested to be involved in the tourism related activities.
8. The area lacks the basic touristic infrastructure and public utility

services which are prerequisite for the development of tourism in any destination.

9. Provision for public toilets, medical centers etc. must be made at the tourist destinations like Kanasar, Devban and Mundali.
10. There is need to develop and implement an integrated ecotourism development plan which ensures the participation of local people at each level of tourism industry.

By making the recommendations into reality, community members of the circuits shall be empowered positively to involve in tourism related activities thereby reducing the outmigration which is the main concern among the villagers as most of the youngsters opt out migration to nearby metros in search of bread and butter. Also, community members should be made aware about the ill-effects of out migration and motivated to take tourism as an avocational occupation to attain self-reliance.

Acknowledgement: The authors deeply acknowledge Indian Institute of Travel and Tourism Management, Ministry of Tourism, Government of India for the financial assistance for sponsoring the research project of Koti Indroli Patyur rural tourist circuit.

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CONFERENCE LIST

July 2013

Design, User Experience and Usability in Tourism-related Applications

21st to 26th July 2013 Las Vegas, Nevada, United States of America

Website: <http://www.hcii2013.org>

Contact person: Lorenzo Cantoni

National Tourism and Events Excellence Conference 22nd to 23rd July 2013

Melbourne, Victoria, Australia

Website: <http://www.tteeconference.com>

Contact person : Conference Secretariat

August 2013

ICBTS2013: The International Conference on Business Tourism and Applied Sciences at The University of London

8th to 10th August 2013 London, United Kingdom

Website: <http://www.icbtsconference.com>

Contact person: Dr.Chayanan Kerdpitak

6th International Colloquium on Tourism & Leisure

19th to 22nd August 2013 Bangkok, Thailand

Website: <http://www.ictlconference.com>

Contact person: Dr. Colin J. Jones

Terengganu International Tourism Conference 2013 (TITC2013)

23rd to 25th August 2013

KUALA TERENGGANU, TERENGGANU, Malaysia

Website: <http://titc2013.unisza.edu.my>

Contact person: ASSOC. PROF. DR. WAN NORHAYATE BT WAN DAUD

September 2013

International Hospitality & Tourism Postgraduate Conference 2012

2nd to 3rd September 2013 Shah Alam, Selangor, Malaysia

Website: <http://www.jthca.org/conference/>

Contact person: Norzuwana Sumarjan (PhD)

2013 the 3rd International Symposium on Society, Technology, Tourism, Education and Politics (ISSTEP 2013)

13th to 15th September 2013

Singapore

Website: <http://www.isstep.org>

Contact person: Conference Secretariat

International Conference Porto as a Tourist Destination: City Tourism

26th to 28th September 2013

Porto, Portugal

Website: <http://portotourismdestination.wordpress.com/>

Contact person: Patrícia Remelgado

Contemporary Trends in Tourism and Hospitality (CTTH) 2013 - Peace, Culture and Tourism

26th to 27th September 2013

Novi Sad, Vojvodina, Serbia and Montenegro

Website: <http://www.dgt.uns.ac.rs/ctth2013/>

Contact person: Nemanja Davidovic

October 2013

Workshop on Role of eLearning applications within the Tourism and Hospitality sector

3rd to 4th October 2013

Barcelona, Spain

Website: <http://www.elearning4tourism.com/elearning-in-tourism-track/>

Contact person: Nadzeya Kalbaska

Cultural Tourism and local development: Touristic utilization of cultural values in less developed rural areas

17th to 18th October 2013

Heraklion, Crete, Greece

Website: <http://syncultourconference.blogspot.gr/>

Contact person: Papadaki Georgia

GEOTOURISM: A new approach to travel and tourism education

17th to 19th October 2013

Detroit, Michigan, United States of America

Website: <http://www.istte.org/callforpapers.html>

Contact person: Joann Bruss

Touring Consumption 2013

24th to 25th October 2013 Karlsruhe, Germany

Website: <http://www.tc2013.org> Contact person: David Sixt

November 2013

The 2nd Conference on Sustainable Business and Sustainable Development in Asia (COSA 2013)

4th to 6th November 2013

Bangkok, Thailand

Website: <http://www.presdafoundation.org/sustainable-business-conference/proposals>

Contact person: COSA Secretariat

International Forum for Health Tourism, Third Edition

8th to 10th November 2013

Targu Mures, Romania, Romania

Website: <http://amphi theatreconferences.gm.ro/international-forum-for-health-tourism/>

Contact person: Raluca Eftimie

The 4th International Conference on Tourism -2013 CACTUS-Contemporary Approches and Challenges of Tourism Sustainability

13th to 16th November 2013

Bran, Brasov, Romania

Website: <http://www.tourismconference2013.ase.ro>

Contact person: Remus Hornoiu & Claudia Tuclea

TMS Algarve 2013 Tourism and Management Studies International Conference

13th to 16th November 2013

Olhão, Portugal, Algarve, Portugal

Website: <http://esghtconferences.org/tms/index.php/TMS/TMS2013>

Contact person: Prof. José António Santos

International Conference on Tourism and Culture in Asia

17th to 18th November 2013

Chiang Mai, Thailand

Website: <http://www.tourismandculture.com>

Contact person: Assoc. Prof. Dr. Ploysri Porananond

ITC - International Tourism Congress

27th to 29th November 2013

Peniche, Portugal

Website: <http://www.giturprojects.com/itc/index.php>

Contact person: Joao Paulo Jorge

December 2013

International Conference on Tourism and Hospitality Management (ICTHM 2013)

8th to 10th December 2013 Colombo, Sri Lanka

Website: <http://www.tourismconference.net>

Contact person: Prabhath Patabendi

The Annual International Conference on Management and Technology in Knowledge, Service, Tourism & Hospitality 2013 (SERVE 2013)

14th to 15th December 2013 Jakarta, Indonesia

Website: <http://www.servicehospitality.org/>

Contact person: SERVE Secretariat

2nd World Research Summit for Tourism and Hospitality: Crossing the Bridge

15th to 17th December 2013

Orlanda, United States of America

Website: <http://www.tourismandhospitalitysummit.com/>

Contact person: Sam Roythorne

TOP 10 BIGGEST SPENDERS IN INTERNATIONAL TOURISM

The tourism source markets have been changing dramatically over the last decade. China, Russia and other emerging markets jumped to the first 10 positions, in terms of tourism spending. China's expenditure on travel abroad reached US\$ 102 billion per year. However, most traditional tourism source markets have also demonstrated a positive growth in 2012.

1. China (\$102 billion)
2. Germany (\$83.8 billion)
3. USA (\$83.7 billion)
4. United Kingdom (\$52.3 billion)
5. Russian Federation (\$ 42.8 billion)
6. France (\$38.1 billion)
7. Canada (\$35.2 billion)
8. Japan (\$28.1 billion)
9. Australia (\$27.6Billion)
10. Italy (\$26.2 billion)

THE CULTURAL DIVIDE OVER WORKING HOLIDAYS'

To work or not to work on holiday? American, British and French workers are struggling to leave their work behind, a recent survey reveals.

We all enjoy certain perks in our work contracts and one that is highly desirable with workers of all kinds is paid holiday. In fact, a recent survey published by American consulting firm Mercer found that, in ten countries, people would rather have paid holiday than a retirement plan or even health insurance. This is not particularly surprising because surely we all want to get a little reward for our work and achieve a healthy work/life balance. What is surprising, however, is the attitudes of certain countries about working while on vacation.

Hotels.com stated that the amount of holidays, both public days off and annual leave, are highest in Russia with 40 days and that this is closely followed by Italy and Sweden with 36 days. Workers in these countries are quite likely to be offended by any notion of taking work with them, as would 73% of the Germans polled by Monster.com.

However this number drops significantly in France (35%), UK (39%) and North America (37%). **It seems that there is a big cultural divide with most Europeans refusing to work on vacation and American, British and French workers happy to make conference calls from the beach.**

The question that really needs to be asked here is not how many of these Americans, Brits and French are happy to work on vacation but whether they

are right to do so. The idea would understandably offend many Europeans that enjoy the boundary between work and family time but it is becoming increasingly acceptable in other countries - despite the negative implications to their relationships with the family members they are meant to be spending time with, their mental health and their performance on returning to their actual workplace. Perhaps the Russians really do have the best attitude towards paid leave.

STREET ART IN INDIA - BUZZING CITIES MEETING TRADITIONS



Street art and graffiti may look random and crazy. However, the truth is that there is a lot of talent and creativity that goes into making it. If you like to go globe-trotting with your shutterbugs and paintbrushes, here is a proper lineup of the best places and cities in the culturally rich country of India where you can find some of the finest exhibits of street art and graffiti.

New Delhi

It is difficult to believe that a buzzing metropolis like Delhi can also be a home to art. Yet, the biggest evidence of Delhi's artistic heritage lies in its timeless buildings. From the monuments of the Mughal times to the fine exhibits of the Lutyen's Age like the Rajpath or India Gate and the bungalows, every part of the two versions of the city is blessed with a fine sense of art. And in the more modern parts of the town, one can also come across some new graffiti artists who are painting up iconic spots in South Delhi with their artistic outputs as well. Delhi is a bustling city that gives you the advantage to witness every piece of modern art as well as the city's original heritage of art as well.

Mumbai

The financial and fashion capital of India, the city of Mumbai, formed by joining together different islands, is a city with a throbbing culture of street art. You can find some of the finest and most significant pieces of art on the Art Deco buildings which face the Seaside. Every year in February, the city organizes a famous and sensational Kala Ghoda Art Festival where you can find some of the best artists setting up installations and paintings. There are paintings lined up in the streets. There are large pieces of graffiti painted on walls and alleys like those on Peddar Road and Worli. And then, there are movie posters and two extraordinary art galleries to fascinate you even more.



Jaipur

Called unanimously as the Pink City, Jaipur in Rajasthan is one of the

most artistically beautiful cities in the world. The name applies to it because of the buildings and small dwellings that have been made out of pink sandstone as well as painted in bright pink. There are other buildings as well which have been painted in a similar fashion. This is also a city that sets up some of the finest and most well-preserved exhibits of ancient Indian art down on its streets. Its streets, alleys, bazaars and other places are filled with wondrous delights and they all have a nice traditional look. In contrast to the heterogeneous art culture of Kolkata and Delhi and the buzzing urban culture of Mumbai, Jaipur plays it traditional.

Kolkata

Sometimes called as the City of Joy, Kolkata boasts of a solid and well-entrenched culture of fine art. This is a city where the walls and facades have been recklessly painted with slogans and symbols of Communist parties. Today, all of that has been preserved and those political posters are considered as the finest exhibits of street art in India. You can also find more places like streets and hidden alleys where the traditional sculptors of the town create stunning statues and idols of goddesses during the festive occasions. The Gothic-style buildings are still very artistic. And there are also old art galleries where you can come across some unconventionally artistic outputs of the city's talents.



Bengaluru

The IT hub of Bengaluru is a city that is slowly but steadily emerging as one of the biggest cities in the field of modern art. This city is home to some of the artists who are known for their high level of urban creativity. Given that this is also the hub of designers and engineers, they are able to craft the best outputs in the field. The city has the best possible talents who spread their creativity throughout the country itself. Bengaluru is a city that boasts of some of the younger talents and artists who will help to make the whole of India a great place in every sense. It is a city with a new and emerging street art culture.

ATAF'S MEETING

American, Turkish, and Armenian Fellow's (ATA Fellows) special meeting was successfully organized and conducted in Yerevan, Armenia to discuss, generate, disseminate and exchange ideas for promoting peace through sustainable tourism across borders in the Caucasus Region, specifically between Turkey and Armenia. It was a very well-focused meeting with the cream of the crop speeches and discussions, supplemented with well-organized social activities to network and share information with colleagues. With great organization of the conference host, Dr. Artak Manukyan, attendees had great opportunities to experience Armenian culture and heritage throughout the event.

During the three-day conference, held June 28-30, 2013, US Ambassador to Armenia John A. Heffern made the opening of the conference, emphasizing the importance of the ATA Fellows Project. Thought provoking and inspiring speeches and discussions were delivered by speakers including Dean Abraham Pizam, Dr. Fevzi Okumus and Dr. Robertico Croes from the University of Central Florida; Dean Kaye Chon from Hong Kong Polytechnic University; Dr. Muzaffer Uysal and Dr. Mahmood Khan from Virginia Tech; Mr. Armin Zerunyan, the Hilton Worldwide Country General Manager Full Service Hotels, Turkey, and Mr. Roland Loog, the Executive Director of the Alachua County Visitors and Convention Bureau besides other faculty and students who shared the same passion that was fueled by this meeting.

Critical themes of the sessions included Peace and Tourism, Tourism and Sustainable Development, Tourism Management and Corporate Responsibility, Sustainable Tourism Issues, Stakeholders, and Capacity Building as a Prerequisite for Sustainable Development. Several interesting questions were posed and comments were made by both the speakers and the audience regarding tourism development in Armenia. Meeting was concluded with a brainstorming activity to formulate future plans for further development of the ATAF project and similar others. One common comment mentioned by different attendees in this session was that ATAF group and their philosophy should be sustained into the future. ATAF would like to extend special thanks to those who supported and contributed to this special meeting.

Detailed information, photos, proceedings and presentations can be accessed at: <http://uftourism.org/atafellows/conf/index.shtml>.

About ATAF (<http://uftourism.org/atafellows/index.shtml>)

International Conference on
"Contemporary Research in Tourism and Hospitality: Theory,
Practice and Pitfalls"

18-21 Feb 2014, Pondicherry University, India.

In collaboration with the School of Tourism, Bournemouth University UK, and the Indian Institute of Tourism and Travel Management IITTM (Ministry of Tourism, Government of India)- the Department of Tourism Studies, School of Management at the Pondicherry University are jointly organizing the proposed 'influential' international conference in India. The aim of this important conference is to exchange and debate 'contemporary international research' in tourism, events and hospitality domains by inviting researchers around the world for the first time to Pondicherry, a famous tourist destination on the East Coast of India. The conference organisers invite extended abstracts from established scholars and early-career researchers as well as PhD students. This conference will feature outstanding keynote speakers from leading tourism institutions and relevant United Nations organisations providing an excellent opportunity for networking and to exchange cutting-edge ideas. It will also involve publishers, tourism authorities and the tourism and hospitality industry representatives. This four-day conference will take place at the Pondicherry University campus in Kalapet on the scenic East Coast Road. Conference buses will run from Pondicherry town centre (new name Puducherry) to the University campus in the morning, and back to the town centre at the end of each day. Delegates will be emailed at a later stage with the information about the venues of conference bus pick-up and drop-off points. The registration fee includes access to all sessions, lunches, one conference dinner, and a trip to the monolithic Monuments of Mamallapuram, a UNESCO World Heritage Site.

CONFERENCE THEMES

- Corporate Social Responsibility
- Sustainable Tourism and Green Economy
- Advances in Marketing "Advances in Hospitality
- Events Management
- Destination Management
- Cultural Tourism and Heritage
- National Parks and Protected Areas
- Crisis Management
- E-Tourism and Social Media
- Human Resources
- Transport and Aviation
- Tourism in Fast Developing Countries
- Small Island Developing States and Coastal Areas
- On-going Transformation in Indian Tourism and Hospitality

The conference organisers invite extended abstracts from established Indian scholars and early-career researchers as well as PhD students - before the 30th September 2013. For conference themes, abstract submission guidelines, registration and exhibition details, please visit the website: <http://www.pondiuni.edu.in/conferences/tourism/crth2014/>.

CONFERENCE PROCEEDINGS

Conference proceedings of two days International Conference on "Tourism and Hospitality Industry: Modern State, Problems and Perspectives"

Centre for Mountain Tourism and Hospitality Studies (CMTHS), HNB Garhwal University (A Central University) organized a two-days international conference on "Tourism and Hospitality Industry: Modern State, Problems and Perspectives" in joint collaboration with Graphic Era University, Dehradun (Uttarakhand) on May 11-12, 2013. A large number of very distinguished academic stalwarts, industry representatives and researchers from all parts of the country and across the globe had shown keen interest, not only in contributing their research papers, but also show their active participation during the conference. In total about 200 participants from all over the world including Indian representatives from 20 States, 75 Institutions/ Universities and representatives from overseas countries (USA and South Africa) were gathered. On the inaugural day on 11th May, 2013, Chief Guest Shri.Arun Kumar Dhoundiyal, Secretary to Governor of Uttarakhand, and Guest of Honor and key note speakers John C. Crotts, Professor and Fullbright Senior Scholar, College of Charleston, School of Business and Economics and Prof. Manjula Chaudhary, Director- IITTM jointly inaugurated the conference at 11:00 am at conference hall of Graphic Era University, Dehradun.

Prof. S.K.Gupta convened the conference inaugural function. Prof. S.K. Gupta in his welcome address highlighted about the theme and various facets of the International Conference and focused on the need of organizing such conferences and highlighted modern state, problems and perspectives of tourism and hospitality industry. Prof. Gupta said that conference is aimed at bringing researchers, academic fraternities and industrialists from around the world to a forum where all can share up to date research findings, latest industrial practices and explore the current status and on-going challenges of tourism and hospitality industry. Keeping in view the importance of tourism and hospitality industry, key innovative practices envisaging Creative marketing and promotional efforts, Destination Management, Economic feasibility studies for Hotel/Tourism Development Projects, Ecotourism, Rural Tourism and Community-Oriented Tourism and Governance and Management of Tourism and Hospitality Sector can be pursued as a result-oriented and stakeholders driven approaches, said Chief Guest Arun Kumar Dhoundiyal, Secretary to Governor of Uttarakhand in his inaugural speech .

He further figured out on the volume and value statistics of tourist arrivals in Uttarakhand and wonders that opportunities and strength of the State was not fully explored. Speaking on the occasion Prof. John C. Crotts, Fullbright Senior Scholar said that tourism and hospitality industry is one of the most important catalysts for social and economic development of any country or region, and India is no exception. It is a dynamic industry, one that continually is experimenting with new products, technologies, and distribution channels in an effort to sustain and improve competitiveness. He also compared the development milieu of Human Resources, Issues and Challenges, International Models and Best Practices in Tourism and Hospitality Business, Policy perspectives on Tourism, Research in progress as related to Tourism and Hospitality Industry and Service quality in Tourism and Hospitality Industry. In general, his speech moved around 'What and How aspects' emphasizing on plethora of tourism and hospitality options to remain competitive so as to enjoy the benefits of the development and also suggested and advised the need of continuous prognosis, review and collaboration. Speaking on the occasion Prof. Manjula Chaudhary, Director, IITTM Gwalior highlighted the future plans of tourism development, stakeholders for tourism infrastructure and setting a high-level committee for sustainable tourism development in India. She said that tourism and hospitality industry has come of age with the crossing of one billion marks on international scene and India may soon cross this mark in domestic market. She compared the progress of a few states in India in off-beat tourism like urban tourism and compared the progress of community-oriented tourism of India with few south-east Asian countries. Further she presented new models and opined that world is looking at new markets such as India and china to drive the world tourism. She felt that conference like this can explore and find the untrodden paths for modern state, problems and perspectives. She also entrusted upon various entrepreneurship skills in tourism development like wellness and medical tourism which has not yet been tapped effectively in India. Prof. John C. Crotts was felicitated and honored by Centre for Mountain Tourism and Hospitality Studies and Graphic Era University for his outstanding work in the field of tourism and hospitality. Citation was read in his honor. Prof. Crotts also organized workshop on "Teaching Negotiation Skills" where around 50 participants grasp the understanding on the various teaching and negotiation skills. During the inaugural session, a book on "Innovation and Competitiveness in the Hospitality and Tourism Industry" jointly edited by John C. Crotts, S.K. Gupta and Prof. S.C. Bagri was released by the Chief Guest and Guest of Honor and other dignitaries. The various technical sessions slated for the two-day Conference were organized on various sub-themes, viz., Tourism Development Issues, Emerging Trends, Growth Prospects and Implications; Hospitality and Hoteliering- Status, Scope and Success Stories; Marketing in Tourism and Hospitality Services Challenges and Avenues; Human Resource Perspectives of Travel Trade and Hospitality Business and Sustainable Destination Development: Key Areas

,Concern and Strategy".

I Technical Session

First technical session was based on the theme *"Tourism Development Issues, Emerging Trends, Growth Prospects and Implications"*. The session was chaired by Prof. Deepak Raj Gupta and Co-chaired by Prof. Harbhajan Bansal. Participants and paper presenter read their papers on the subjects like measuring competency in tourism, issues and challenges of religious tourism, soft skills, problems and potentials of tourism industry etc. Around 15 papers were presented in the first technical session.

II Technical Session

Second technical session was based on the theme *"Hospitality and Hoteliering- Status, Scope and Success Stories"*. The session was chaired by Prof. Sandeep Kulshrestha and Co-chaired by Prof. R.C. Pandey. Around 20 papers were read during this session which includes emerging trends in the accommodation sector in Varanasi, Critical analysis of the hotels corporate social responsibility, international sports events, problems and prospects of hotel industry, hotel operation, management issues and challenges, case study of pricing strategies with special focus on revenue management.

III Technical Session

Third technical session was based on the theme *"Marketing in Tourism and Hospitality Services Challenges and Avenues"*. The session was chaired by Prof. I.C. Gupta and Co-chaired by Prof. Sunil Kabia. Rapporteur for the session was Dr. Prateek Agarwal. Around 15 papers were read by the participants giving emphasis on marketing practices focusing on internet as marketing tools, service quality in tourism hospitality industry, e-tourism, promotional campaign carried out by tourism department J&K State, branding of India, emotional branding, advertisement tools in hospitality marketing, eco-marketing, CRM policies, new marketing paradigm for the Indian tourism industry etc.

IV Technical Session

Fourth technical session was based on the theme *"Human Resources in Tourism & Hospitality Sector"*. The session was chaired by G. Kanjilal and Co-chaired by Prof. Mohinder Chand. Rapporteur for the session was Dr. Aurobindo Ogra. Around 15 papers were devoted on this theme and the presenters focused on the issues and challenges of human resources in the hospitality sector, internal recruitment, skill gap in human resource, talent management practices, factor analysis of employee motivation, perception towards hospitality profession, employee involvement in decision making, need for training programmes in small scale hotels, human rights in tourism, quality of work life, factors affecting employee retention, Generation Y and the work in tourism and hospitality industry, hospitality education pioneering entrepreneurship, talent and knowledge management etc. .

V Technical Session

Fifth technical session was based on the theme "*Sustainable Destination Development: Key Areas Concern and Strategy*". The session was chaired by Prof. O.P. Kandari and Co-chaired by Prof. S.S. Boora. Rapporteur for the session was Dr. Luvkush Mishra. Around 15 papers were devoted on this theme and presenter focused on the challenges in developing sustainable tourism, ecotourism development, potential for agri tourism, rural tourism, preservation and protection of cultural heritage, study of environmental sustainability, value chain system for empowering local communities, cultural tourism, community perspective on ecotourism, stakeholders perception towards partnership in heritage city, sustainable tourism development in mountainous region, ecotourism in Garhwal Himalaya.

The deliberations of the conference resulted in valuable suggestions and recommendations.

Prof. S.P. Bansal, Vice-Chancellor, Maharaj Agrasen University, Himachal Pradesh was the chief guest of the valedictory ceremony of the conference on 12th May 2013. Speaking on the occasion, Prof. Bansal presented a detailed picture of the tourism development in India and raised the issue of human resource in tourism and hospitality profession. Prof. Bansal said that with the growth in tourism and hospitality industry, there is also a growth in understanding of the various dimensions involved in it, particularly the service dimension and the industry aspects. He further raised his concern over the involvement of the academia for maintaining pace with the rapidly changing trends on account of the diverse complexities of the tourism and hospitality industry. Prof. Bansal portrayed a detailed picture of the tourism researchers and hoped that academic bodies shall take right steps to address the issues of deployment human resource in Universities and industry.

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