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Analysis of the sustainability of Veneto region seaside tourism

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INTRODUCTION

Veneto region is one of the most renowned tourism destinations at the Italian and European level. The data of 2016 show that the region held a share of 16.2% of the total national tourism, corresponding to 65.4 million bed-nights and 17.9 million arrivals, ranking first in the Italian context and sixth at the European one. The result came after several years of constant growth, during which the attractiveness and popularity have increased leading to cover a dominant position. The reasons of such popularity are multiple: among others, the high variety of different tourism categories, the quality of the offer, and the relative proximity to many European states with respect to other Italian realities are certainly the principal ones. Within the region, we can register an uneven distribution of the tourism flow, meaning that the most of it is concentrated in three categories: cultural, seaside and lake. While Venice is unsurprisingly the central pole, it is interesting to notice how the seaside category absorbs most of the touristic movement, as testified by the analysis provided by the National Statistic Institute; the area, however, is characterized by small municipalities, and the typology of the offer limits their "usability" only during the warm months of the year, i.e. from April until October, leading to a high concentration of travellers in little space and short time. With these settings, it is clear that we are dealing with mass tourism, which is often associated with the harm of the environment and exploitation of the destination. The seaside coast of Veneto has witnessed many years in the past of housing boom and little attention to the territory, which was also flanked by poor regulation and monitoring activities by the public institutions. In recent years, there has been an increase in the awareness of the importance of a healthy environment for the sake of a continuous growth, and the concept of sustainability has begun to spread in the mentality of all the components of the tourism destination. The concept, however, should not be limited to the sole consideration of the environment because sustainability embraces a much larger consideration that is reflected also on the social and economic spheres, and that should be adopted at the very core of all the tourism-related activities; it is wrong to think that being sustainable means only the application of green measures, and it is wrong to believe that these measures are supposed to be effective in the short term regarding the attractiveness. The added value provided by sustainability is not given by its direct advertising because the tourist (as well as any customer) is not pushed to choose a location by the number of solar panels or clean energy used by the facilities, especially if it does not represent a concrete advantage for the holiday; sustainability is supposed to be pursued for an overall improvement of the quality, which would mean an enhancement of the

image and a consequent development of a territorial marketing, completely focused on the wellness and on enjoying the destination in its entireness. The marketing of a destination is extremely complex to organize because it requires the synergic cooperation of all the members and users in order to obtain a network of coordinated individuals who are working together with the available resources and the common objective of a prosperous future. Once that a certain quality level is reached, it is possible to develop the idea of a brand, not as a single municipality but again including all the different realities to create the richest and most differentiated offer of the territory, which should not need to rely on the constant increase of tourist's quantity but should invest on the increase of tourist's quality.

CHAPTER 1: Creating the tourism destination brand

1.1. Introduction

When we talk about modern society, there are two fundamental characteristics that must be taken into consideration: first, it is the consumption that defines the human or, better yet, it is the possibility to consume that identifies the role that each of us cover within the society (Urry, 1995); the definition of society has changed disruptively from the past, and the traditional division into classes does not hold anymore, leading to a different and more complex networks of relationships and general organisation (Baudrillard, 1983). Second, there has been a progressive transformation into a semiotic society, focused on signs rather than factual events, i.e. it is the former that give meaning to the world (Wexler, 1987). This kind of evolution finds implementation also in the tourism industry, in the sense that, for a person to be considered modern and well-integrated, he or she must be able to consume tourism products, i.e. travelling and visiting different places (Urry, 1990). The union of these two effects has led to an increased individualism because people no longer feel to pertain to a certain sphere of the society and feel free to develop their own personality without the boundaries dictated by their origins and choosing to build whatever future they feel like living (Featherstone, 1991).

Speaking of tourism, we must be aware that the marketplace is widespread throughout the whole world. Globalization and internet, just to name two of the most important players with the highest contribution in the development and in shortening the distances (in the broader sense), have certainly increased the pressure and reduced time for decision-making processes at every level: individual, entrepreneurial, institutional, etc. In the context of tourism, this is leading to a fiercer competition among a continuously increasing number of countries, with little time for consumers to examine in depth what every country has to offer, its history and culture, its peculiar characteristics that inhabitants are proud to exhibit as an element of differentiation and to increase the value. In this scenario, we can see that the amount of available information has increased steeply, as well as the possibility to obtain it easily and in every moment. The required competence and the techniques performed have become much more professional, and the changing context requires a substantial reconsideration of the marketing logics.

This chapter will analyse in detail the branding process, and the contribution it can give in the evaluation of a tourist destination. It is important to note however that there is a big amount of

complexity around the topic because of the intricate nature of a tourism destination: first of all, the presence of a brand can be justified only after the creation of quality, which is measured through the usual indicators of value (e.g. revenues, bed-nights, arrivals, infrastructure levels, and the like). Once it is ascertained that we are talking about a product with a certain level of quality, we can proceed with establishing the value of the brand and measuring the contribution in the total evaluation. In other words, brand is a significant marketing component, and can certainly influence the success or failure of a given campaign but comes secondary with respect to other features indicating the quality level. Secondly, as opposed to a normal good or service, the tourism destination is characterized by a higher degree of complexity because it is impossible for a single subject to control it. For whichever tourism destination we can observe the presence of multiple players, each of which influences the perception of the territory by the tourists; collaboration and cooperation among these subjects can have a major role in choosing the direction, but there will always be a consistent part of uncertainty given by exogenous variables. The destination exists independently from the actions and decisions of the individuals, and many also doubt about the possibility of speaking of tourism branding. Complete control of the tourism brand can be achieved only if it could be possible to control the experience, because this is what tourism is about; given all the components that are considered by the traveller as influencers in the tourism experience, and given the scarcity of useful tools that can indicate how brand is affecting the reputation of the experience, is it technically possible to speak about destination branding?

1.2. The process of branding and the concept of brand

Branding is such a diffused and well-known process that it is currently applied to any kind of product. If we think about any category it is very difficult to find commodities without a logo, and also in this case we can consider the decision as a branding strategy, in the sense that the businesses have chosen to visually differentiate themselves in a certain way and to create a specific identity. Although associating the concept of product with a country or region does not sound particularly appropriated for the obvious differences of the object of the transaction (one cannot speak about buying or selling a country without the negative meaning tied to the terms), the concept of branding suits perfectly in the context of building a reputation and defining what kind of destination the tourist should be expecting, especially if one considers the four aspects which the brand is composed of: brand identity, brand image, brand positioning and brand equity. The brand identity consists in the unique set of mental and functional associations that

the brand strives to create and maintain. Ideally, these associations should coincide with what the brand should stand for in the mind of customers, implying also a potential promise for them. The identity provides a value proposition to the consumer, whose benefits may be emotional, functional or self-expressive, meaning that their use produces more advantages than the one provided from the purchase itself. Brand identity is often considered to be divided into several facets; the most important ones are personality, which is the attitude to describe a brand as a human being, using terms that usually pertain to people (honest, spirited, reliable, competent, charming, tough); culture, which is the part from which brands draw inspiration (i.e., transmit the intrinsic values that are well-known for a certain area to the brand itself); and relationship, which means being able to establish a connection between brand and consumer but also among all the consumers of the same brand (e.g., a touristic destination that creates the premises for its visitors to chat with each other, despite coming from different cultures, in order to establish a point of contact) (Kapferer, 2004).

As counterpart of brand identity, the brand image is the perception of consumers with respect to a brand or, in other words, the associations that customers do in their minds when thinking about a specific brand referring to their personal memory. This concept started to grow in importance when it was proved how the side-advantages of buying a specific product (e.g. wealth, power, sophistication, etc.) were acting as very powerful purchasing influencers, especially with the diffusion of consumerism where people tend to define themselves by the things they own. The strength of brand image can also be ranked and measured by specific questionnaires provided to actual and potential customers: if the associations are not aligned with the proposed brand identity, if responses are vague, different from client to client, or focused on non-images attributes (for example cost), then it is an indicator of unsuccessful or weak brand image (Knapp, 2000). There are several ways through which power of brand image can be measured, one of which is to study the different interpretations individuals would give to the same product sold by two different brands; with this method, it is possible to trace a clear line between functional and symbolic dimensions of brand image, meaning that as consumers are asked to evaluate a product they focus very little on the functional differences but they rather focus on the message differentiation, i.e. the symbolic meaning that products represent and the distinction brands make in communicating their value (Swartz, 1983). Given its potentiality, brand image building must be a thorough process in order to make potential consumers register and retain the most relevant information and values; for these reasons, the process must be planned and coordinated mindfully through all the different sources of

communication. One of the most used and effective tools is the integrated marketing communication (IMC), which takes into consideration every mean that the company possesses to reach the buyer (e.g. sales promotion, advertising, internet, sponsorships, but also direct contact in the point of sale or through a salesperson) in order to deliver the brand message in the most efficient and effective way. The key element is being consistent throughout the whole procedure, and limit to the minimum the risk of misunderstanding in the perception of clients. Continuous monitoring over time is clearly required in order to guide and trace different positioning strategies: for this purpose, a framework was provided by Park et al. (1986) called "Brand concept management (BCM)" which provides a consecutive process of selection, introduction, elaboration and fortification of the brand (Figure 1.1) while keeping track of the stages covered in order to be always aware of how the brand building process is advancing.

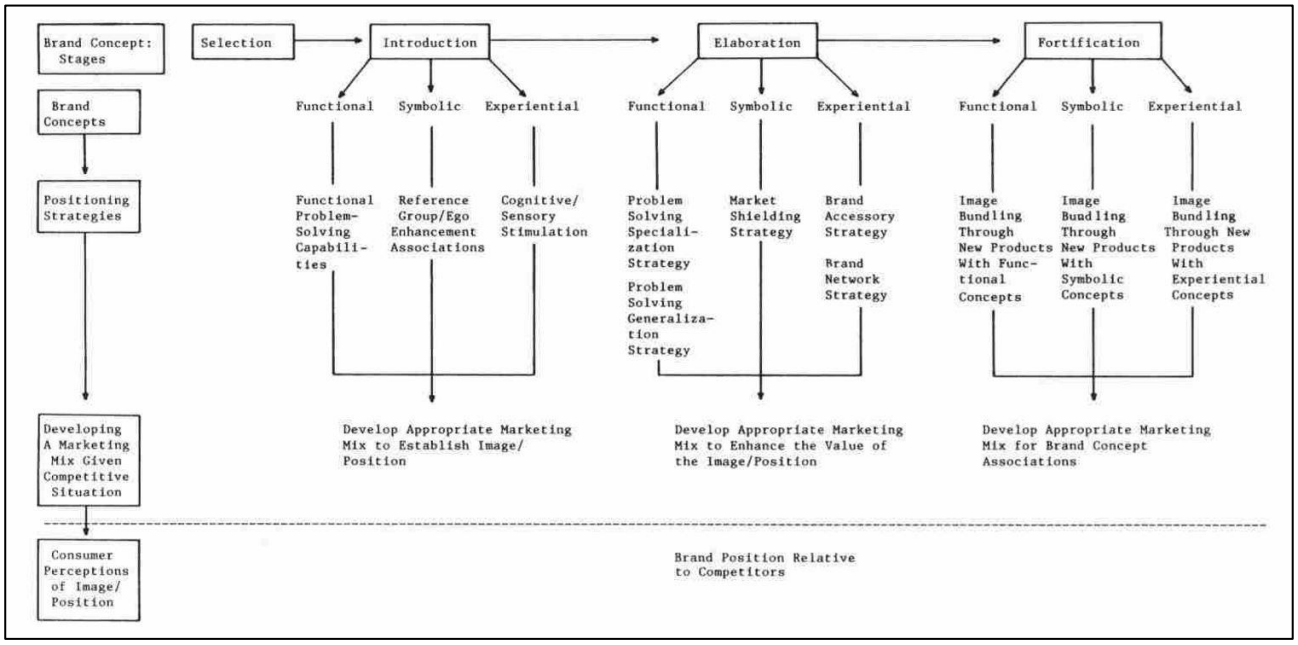


Figure 1.1 *Brand concept management (Park et al, 1986)*

The third aspect of branding is the brand positioning, which is the "market space" occupied by a brand in the mind of the target audience with respect to the ones occupied by the competitors of the same category (Sujan and Bettman, 1989). It is considered as a natural phenomenon, happening equally if a company decides to proactively participate to influence it or not, so it is up to the management to decide whether positively influencing the perception of consumers through strategically planned actions or passively withstand people's decision. The process of positioning, as mentioned before, comes only after the process of targeting, which is itself sequential to the process of segmenting: this means that first of all the market needs to be

divided in order to identify critical categories to which the company wants to offer its product or service; then, after deciding which segment is strategically important and can be reached, it is targeted by the company, i.e. it is chosen. Only after these phases we can speak about positioning, about attaching significant value and a specific meaning for the brand in the mind of customers in relation to competitors. Given that competition plays a crucial role in the process, it is useful to run an analysis to better understand what kind of strategy to implement; for this reason, it is important to know which are the most important dimensions of the market and where do the other existing products or services are situated in the context. Eventually, understand if there are some gaps or identify unfilled positions can turn out to be the winning key point. The characteristics to consider in order to create a successful positioning process are numerous, but there are six key attributes that the brand should embody: relevant, which means to have a clear vision and a concrete meaning to the buyer; distinctive, meaning that the differences with competitors must be easily perceived; coherent, that must be reflected also in the communication sphere and refers on being consistent in every aspect of finding the right position; committed, because it is important in the long run to stay loyal to the original vision and to the brand essence, without falling into temptation of short run profits; durable, given that time is needed to obtain results; and clear, also from the communication point of view, in order to be easily understood and quickly communicated, while information transmitted can be processed immediately (Laforet, 2009). In addition to that, the success of brand positioning is given also by choosing the right strategy: from the simple based on the unique selling proposition (USP), or more elaborated strategy focused on pseudo-physical characteristics (e.g. shape, size, colour, taste, etc), or in terms of usage and occasion, without excluding the fundamental role played by price, especially if confronted with the value provided. On the other hand, also the abstract value, also named non-functional, covers an important role, especially if positioning is made in terms of social value, sensory system, self-esteem, or through the usage of brand personality and cultural symbols. Strategies can also be based on the segment to which the product or service is thought to be delivered, and managers should take into consideration the most relevant information about the target, like age, education, gender, income, social class, and so on. Last but not least, positioning can also be developed by implicitly or explicitly referring to competitors; the key point in this case, especially if also the communication is based on this idea, is that competitor must be well known, and the associations must be easily and instantly recognised. Once this condition exists, comparisons can be in the form of metaphors, subtle references or catchy recalls (Laforet, 2009).

All the three aspects combined, together with all the values that can be connected with brand, contribute to form the four and last aspect, the brand equity, which is also more important than the others. The definition of brand equity is "the set of associations and behaviour on the part of a brand's customers, channel members and parent corporation that permits the brand to earn greater volume or greater margins than it could without the brand name" (Leuthesser, 1988); in other words, it is the added value of products and services acquired for the fact of being provided by a certain brand. What is important to notice at this point is that when we talk about value we must not limit to consider only the financial sphere: obviously, the financial value provided by brand equity represents an easy and measurable scale to understand the impact of brand equity on the total strength of a company, and as we will see later more in detail there are several methods to precisely evaluate it, but it is fundamental to notice also other positive aspects like the competitive advantage created by the development of a strong brand. Moreover, having a strong equity means a better and quicker communication with all the stakeholders about the purpose and the actual conditions of a company; shareholders, institutions, press, and employees can have an immediate knowledge about the health and the development of a brand, which can be translated in a positive inspiration and a deeper understanding of corporate beliefs. There are three dimensions through which brand equity can be examined: brand assets, which can be considered as the sources of influence of the brand and the features that characterize uniquely a brand, such as saliency (i.e. the dimension of the company) and relationships (especially with stakeholders and supply chain); brand strength, that can be measured by taking into account some indicators like market share or growth rate; brand value, which is the net discounted cash flow attributed to the brand (Kapferer, 2008). Table 1.1 provides a summary of the main features of these three dimensions.

Brand assets	**Brand strength**	**Brand value**
Awareness Saliency Image Relationships Patents	Market share Market leadership Loyalty rate Price premium Growth rate	Net discounted cash flow attributable to the brand after paying the cost of capital invested to produce and run the business and marketing

Table 1.1 *Three dimensions of brand equity (Kapferer, 2008)*

Generally speaking, brand equity can be considered as an asset. In order to give some concreteness to the asset and a numerical value useful to understand its importance within an enterprise, several methods have been elaborated to fulfil the purpose. Most of them are thought for product's brands and would find little or no application for our purpose. Some approaches, however, can be taken into consideration for what branding and brand equity would mean for the tourism industry, for example:

- Comparable method: obtain the value of the brand by comparing it with something similar. The usage of this method should be limited and cautious, however, because it is mainly based on competitors' situation, which cannot be equal in all its aspects; by definition, brands should differentiate from each other in order to obtain a relevant competitive advantage, and it is also quite difficult to compare brands in terms of significant characteristics like advertising expenditure, target groups, distribution channels and the like.
- Excess earning method: measure the increase in profit that is attributable to the brand. This approach is based more on the long run and takes place a lot of time after the launch of a brand or on long-sighted forecasts through a discounted cash-flow analysis of usually ten years. Unfortunately, this method lacks precision and it is complicated to estimate the incremental effects of the brand on sales and profits.
- Customer-based approach: takes into consideration the attitude of customers instead of the orientation of the company. Among literature, many scholars have identified one fundamental aspect that must be considered in evaluating the brand equity, which is brand knowledge. It concerns the emotional perception felt by customers (i.e. images, thoughts, feelings, experiences, and the like) and the link that exists in their minds between the emotions and the brand. Brand knowledge is divided into brand awareness and brand image: the former refers to the strength of the brand trace in memory, and can be measured in depth (i.e. how likely the brand is to be recognized under different conditions) and in breadth (i.e. how likely the brand is to come to mind in different purchase or consumption situations); the latter, as we have previously seen, refers to the consumer's perception of a brand. Generally speaking, direct and indirect tests are run on focus groups, or questionnaires are handed to the target market, or memory is tested to assess the behaviour and the attitude of consumers regarding the brand. Given the complexity of the measurement, several tests are run in order to obtain every particular aspect of the brand knowledge (Keller, 1998).

Among these three, the last is probably the more effective for the industry. An example is provided with the model elaborated by Kheiri et al. who measured the effects of destination brand equity on travellers' intention to revisit for Kish Island, in Iran. In order to assess it, they identified three main factors, brand equity, brand loyalty, and satisfaction, which were in turn dependent to three other variables, brand awareness, brand image and brand quality. Figure 1.2 provides a visual representation of the desired model, with distinct differentiation among independent, moderator and dependent variables.

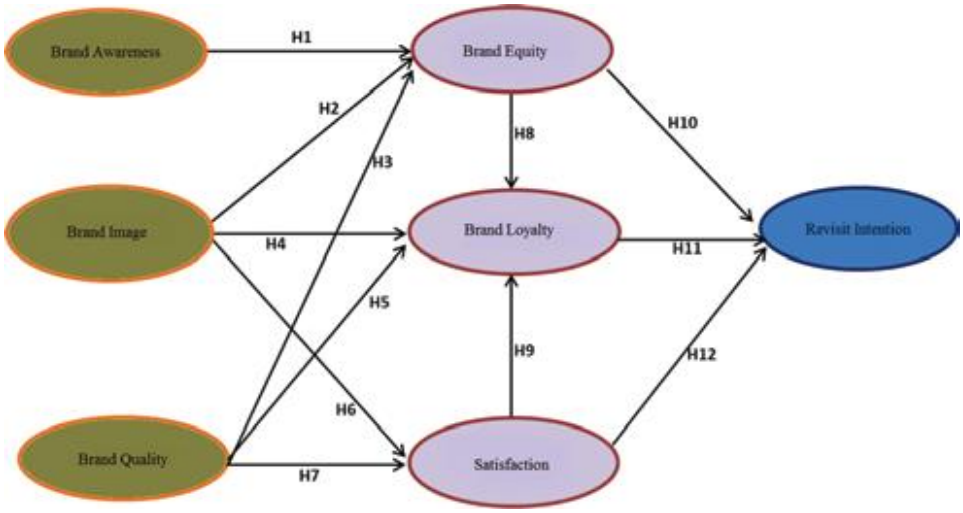


Figure 1.2 *Conceptual model (Kheiri et al., 2016)*

The arrows represent the causal effect of each variable on the others, and they managed to confirm almost every hypothesis (except H4, H7, and H10). The research was conducted on 384 individuals by questionnaire filling. Results showed that for the case of Kish Island brand equity is not a direct driver of revisit intention, but it becomes significant in positively and meaningfully affecting brand loyalty, which is a driver of revisit intention (Kheiri et al, 2016). What is important to notice is the feasibility of measurement of such aspects and the importance of such concepts applied to the industry of interest. Being able to master the topic and, most of all, evaluating the effect of branding is helpful for several reasons:

- Deciding on which investments to concentrate, especially if considering the brand as a normal asset, in order to allocate the resources according to a rationale;
- Obtaining an ROI on the resources invested in creating a brand as it was a normal investment. Assess the value of the brand can give a thorough insight of the importance of a brand against the efforts taken to reach such a result also by establishing precise

performance target over which the action of brand managing (and, more generally, of the marketing department) can be evaluated;

- Remunerating fairly the actions of the staff involved in the process, allocating the credit according to the reached results and understanding the contribution of each member;
- Evaluating co-branding possibilities, with a clear vision of the opportunities and risks;
- Obtaining a concrete proof of the added value of the brand that leads to a more efficient communication of the value of the whole enterprise for the stakeholders, including the ones who may be interested in granting funding (Laforet, 2009).

As we have seen so far, brands can facilitate the recognition effect, hence facilitating the information process which turns out to be more fluid and efficient. It helps to reduce the risk for the client to make a wrong purchase decision from the monetary, functional, social and psychological point of view because in the purchasing phase it reassures and instils trust by making the outcome predictable. Moreover, the brands offer the possibility to fulfil the self-expressive and emotional needs of people who, by owning and experiencing a certain brand, can create their own image and show their personalities and tastes to the others. The connection of branding with the geographical dimension that would lead us closer to the tourism industry is the concept of country of origin branding; it has been studied to be one of the factors with the highest influence on purchasing decisions because it affects significantly the perception of quality and value (Ahmed and d'Astou, 1995). Country of origin can have different definitions, but it is mainly associated with the term "made in", which usually indicates the country in which a certain product is manufactured, but it sometimes refers to the country where brand's origins can be located. In this sense, the idea revolves mostly around product industries, because the leverage of a country's reputation can be better exploited when something physical is presented. However, when the object becomes the country or, more specifically, a region, the reputation and the stereotypes of a geographical area are taken into serious consideration by the tourist, especially in the global context; of course, we would not speak of "made in" holidays or journeys, but the context in which people decide to voluntarily spend their time becomes of primary importance. Hence, we must restrict the topic and analyse in detail the concept of nation branding.

1.3. Nation and territory branding

As we have seen so far, the concept of brand is mostly applied to products, and it is possible to find countless material in the literature about the effects and the influence that it has on

customers' and enterprises' behaviours. However, as mentioned above, when we apply the concept of branding to nations or to territories we must consider the ethics behind it, with moral obligations to treat the manner in the most respectful and honest way. It is important to acknowledge the extent to which it is appropriate to consider nations and territories as brands; they cannot be either owned or managed by any individual or company. Tops, they belong to the inhabitants, who must be considered as the most important stakeholders, even though they cannot be given the full responsibility to manage a territory without the implicit negative consequences of such a decision. Hence, the legitimacy issue arises spontaneously, and so does the question of who should have the right to apply brand management techniques to whole territories. A logic response may come from the democratic principles on which our society is built, hence assigning such duty to the elected government. The assumption under this decision, however, is that the politician chosen after democratic elections should have business and marketing skills required to cover the brand management role, which, as we can deduct from the analysis of historical series, is an event with a fair amount of unlikelihood. Moreover, given the complex and time-requiring nature of brand management, its implementation would not fit the usual duration of a political mandate (five years, or less), leaving aside the fact that decisions taken today may result as expenses without direct revenues and whose benefits may start to arise during another mandate, which can be governed by another political party. Alternatively, the role may be covered by professional marketers or brand managers, who could apply their competence in the management of nation brand or, more precisely, region brand, constantly and closely monitoring the performance in a long-term perspective, but they would lack the legitimation to act given by democratic election. One of the solutions could be the development of structured long-sighted programmes by a public-private collaboration in which the interests and opinions of citizens are guaranteed by elected politician while commercial interests are guaranteed by industry associations and specialized companies (Dinnie, 2008). This way can be considered as one of the fairest and most effective because it ensures everybody's wealth through the inclusion of each stakeholder, in the sense that although they are given the power to operate, politicians and specialists must not ignore the cultural and intrinsic values on which a certain society is based; in order to be effective, branding must be based on the natural traits that characterize a population, also by involving it in some key point decisions. This is what happened in 2005 when the citizens of Taiwan were asked to choose which one of the proposed 24 images would have represented the country to the eyes of the world (Li, 2006) or the well-known motto that has identified France for more than two centuries and that certainly

embodies the spirit of the nation and its people: "Liberté, Égalité, Fraternité" (Liberty, Equality, Fraternity). Less specifically speaking, however, involvement is a very delicate phase and process that pertains to stakeholders at different levels. For sure, each territory possesses its own range of stakeholders, but in general we can identify what we may consider as the ideal state of involvement: the fully-inclusive stakeholder (FIST) approach is one of the available frameworks that might help us in recognizing such state. As depicted in Figure 1.3, we can identify three stages in which the actions are conceived, developed and executed by four main actors performing at different times and sectors.

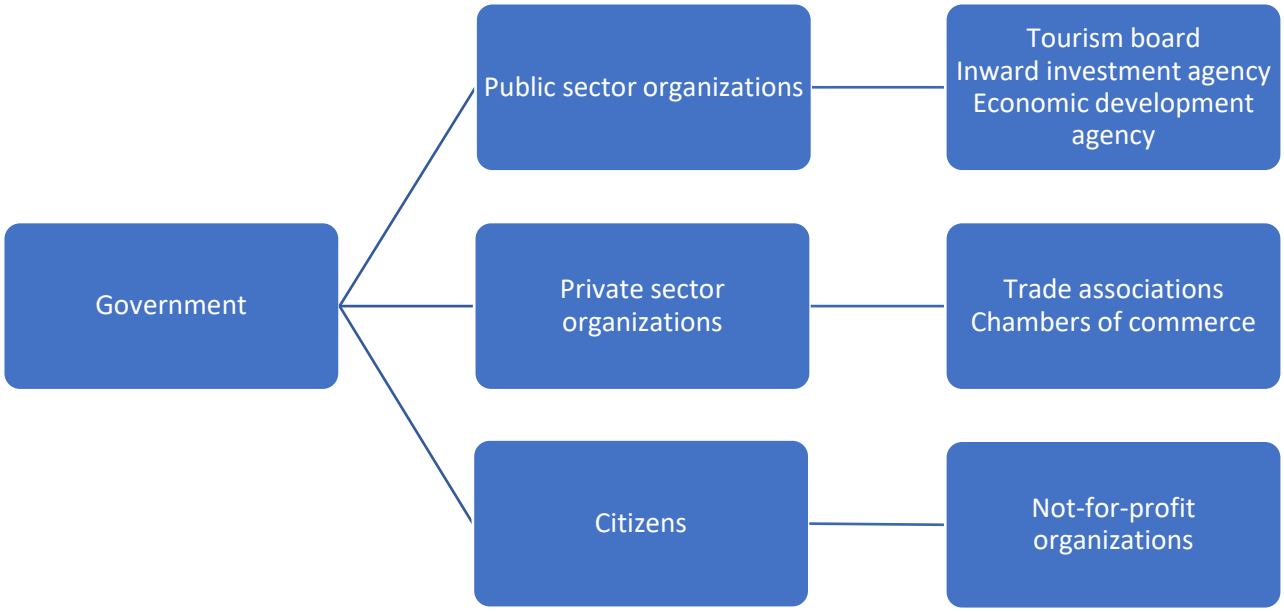


Figure 1.3 *The FIST (Fully-inclusive Stakeholder) approach (Dinnie, 2008)*

The principle of inclusiveness that the framework represents is based on the assumption that nations and territories are all united, acting in defending the interests of each other in a friendly and familiar environment. Though, as history can prove with tons of empirical evidence, people truly come together only when responding to an external danger that threatens the state of things as they are, such as a war; once the menace has gone, internal divides begin to arise, and consensual vision is difficult to obtain. Hence, the FIST approach finds a better implementation as a useful guideline in developing areas, where imminent potential hazards can deteriorate the society (hunger, poverty, lack of innovation, and the like). However, what is worth noting about FIST approach is the key role that government has in the realisation of the territory branding: as depicted in the framework, it comes first in hierarchical order and is the only one actor that can perform and monitor the coordination of the whole mechanism, which is essential to

prevent the duplication and fragmentation of activities. The only drawback is the possible dependence with the political changes that every new election may cause, but, in order to overcome this obstacle, governments are supposed to nominate an independent coordinating body. Via the public-sector organizations then, the institutions would communicate and integrate the actions throughout the whole system, which would lead to the concentration of the effort in order to achieve the previously planned objectives (Dinnie, 2008).

In case we are dealing with territories whose primary needs are fortunately not so hazardous, the approach is much different; it lies on the same guiding principles but is based on a more realistic aspiration that embodies the structure of a programme-specific involvement which, instead of being embedded in an ideal state, pertains much more to the dimension of the actual state. In literature it is possible to find several examples of how a programme-specific inclusiveness may be employed for very different purposes, from the redeem of a country image to the raise of positive awareness in order to communicate certain messages and associations to the target audience. Among them, the following two are worth to notice:

- Brazil IT: the campaign was launched with the intention to nurture the image of the country as an IT services and products provider. Before that, the associations connected with Brazil were merely hedonic, for example football, music, and carnival, which were far from providing a positive country-of-origin effect on any technological industry; on the contrary, the nation suffered of a negative perception due to poverty, high quality of life discrepancy, corruption and the like. The initiative had the intent to increase the awareness and recognition over the expertise of the country over the IT industry and was structured as a programme-inclusiveness campaign. The key target of the campaign was the USA market, which is one of the largest consumers of IT services, with several stakeholders participating in the process: from the Brazilian government, which operated through APEX Brazil (the export promotion agency) to numerous IT clusters throughout the country, but also individual IT companies and non-profit trade organizations located in the USA, such as Brazil Information Center which promotes the image of the nation to American opinion-makers and users (Sanches and Sekles, 2008).
- Iceland Naturally: with a completely different purpose, Iceland has never suffered from a poor reputation regarding the image. On the contrary, the scope was to communicate and promote the closeness of the fit among Iceland's general image of naturalness and purity and its products. Also in this case, the main target was the North American market and together with the intention of increasing the positive association the program

wanted to encourage travel to the country, hence shifting the positive effects also to the tourism and transportation industry. The main stakeholders who participate were essentially four categories: the government, through the Ministry of Foreign Affairs and the Ministry of Communication, the Overseas Business Service, the Tourist Board and the leading Icelandic companies and associations (e.g. Icelandair, Icelandic Agriculture, Blue Lagoon, Glitnir Bank, and so on) (Gudjonsson, 2005).

For both the campaigns, but it can be noticed quite frequently in cases like these, there are some common paths that have been followed; e.g. all of them fulfil the basic marketing principle of segmentation, targeting, and positioning, as well as the strategic analysis run for each specific case in order to determine the level of stakeholder's participation. In general, government involvement is always expected, especially in the starting stages, with the intent of encouraging the launch and the inclusion of the other parties. In the development then, the private dimension is expected to engage more to increase the effectiveness of the process (Dinnie, 2008). Anyway, each case deserves specific development, without a rigid checklist procedure; the degree of involvement and the number of active stakeholders must be established individually, depending on the strategic objectives and on the benefit that the community may get from the cooperation of the distinctive elements. For sure, one of the best indicators of success that can be measured in the aftermath is the creation of a social network that can outlast the campaign and continue to benefit all the members, constituting one point of strength in the realization of successive campaigns. Social network relations have been confirmed by several studies to be a very powerful tool for creating and developing motivation among stakeholders, which would then make a difference in the application of strategies in terms of motivation, given that they would not perceive the actions to make as forced but rather as fair and needed, increasing the overall quality and value of the campaign (Hung, 2002).

Beyond legitimacy, nation and territory branding is a practice that is needed as one of the few lines of defence to the phenomenon of stereotyping. In other words, as it happens for enterprises, territories have the choice of being branded – namely, letting the others define the image of the nation, surely leading to undesired stereotypes – or actively participating and acting in the process of self-building their image by providing an uplifting and truer identification of the country or region. It has been widely shown how branding can be a powerful tool for less developed areas to rise and to concentrate the resources (both human and physical) with the common objective of redeeming the reputation and start to be a relevant player in the global context (Anholt and Hildreth, 2004), beyond keeping the distance with the

idea of commercialisation of the local culture while enhancing the protection and promotion of diversity. On this topic, there are many theoretical reflections on the effects of brand applied to places, introducing the term of geo-branding. Several academics and practitioner agree on considering the concept applicable in contexts way beyond only products and services and how many realities with different dimensions, from cities to entire nations, have already adopted the philosophical approach of brand building (e.g. London, Manchester, Oregon, Spain, Greece). Furthermore, other than being a very powerful tool to maintain the identity of a society while protecting it against the trend of modernisation, it can also be an important source of sustainable development. Together with individualism in fact, one should also keep in mind that the desire of being part of a community is also intrinsic in the nature of human beings, and so tourism becomes that leisure components whose consume is the sign of wealth, social status and affinity with a certain community of travellers who make the same choices. The main driver of a consumer choice in terms of tourism product is the presence of signs and attractions, which give meaning and information about a site. So, in the practice of geo-branding, the creation and the coordination of a site's attractions and markers becomes of fundamental importance, together with enhancing psychological traits and sensations in order to define the personality of a territory, enriching its meaning and improving the experience (Freire, 2005). Some studies claim that relying on signs would lead to the creation of a plastic, fake reality based on elements of the destination that do not pertain to the society, hence manipulating the consumer; the tourist, however, understands that the reason for which such symbols exist is him or her. The final purpose of creating the attraction is the visit, it gives a motive for which the destination must be seen, beyond differentiating and protecting the site. This argument is even more valid if the sign is correlated with tradition and the historic culture of a territory, which gives to the traveller a sense of escaping from the routine life and the opportunity to expand the knowledge on something that current life experience cannot provide anymore (Gnoth et al., 2000). Hence, tourism gives the possibility to maintain certain particularities and reduce the tendency to standardise, providing a tool for development based on the very symbolistic resources that the same site can offer. This does not mean that inhabitants of a destination should be kept in an isolation bubble, left untouched by the development and innovation of the modern world as they were in a museum. Through conscious geo-branding management, tradition and modernity should coexist, merging the advantages of both aspects of the experience provided. This is what happens for example in North American traditional western ranch cattle, where the technology permits the management of farming and agriculture activities in the most

efficient and standardised way; however, there are still cowboys that periodically organise demonstrations of traditional rituals used in the past. Such rituals are obviously useless nowadays because of the higher efficiency provided by the machines, but it is a strong attraction for the country that appeals to a large number of tourists, who knows that said rituals are not true (in the sense that they are not performed with the original purpose of managing the animals) but it is the unique way to preserve the local culture and to get in touch with past techniques. In such communities, tourism has a positive dual impact, as a source of community resources, with the consequence of increase in job creation, and the attraction for external investments that support the development of the local environment (Freire, 2005). To sum up, branding should be considered as a useful tool to enhance the tourism industry, given the intense competition and the increasing purchasing power that every tourist is acquiring. The latter, moreover, is gaining importance on the individual level and is constantly looking for new experiences and new ways to define him- or herself in the consumerism that characterizes nowadays society. In a world where information is circulating fast and can easily be subject of misunderstandings, it becomes crucial for destinations to actively propose themselves in front of actual and potential consumers without being passively at the mercy of external judgment and stereotypes, right in the same way as enterprises do. For these reasons, and for the vastity and complexity of the environment in which destinations are competing, small realities are supposed to act together, with the goal of creating a diversified reality composed by several different offers, in the spirit of collaboration and joint growth, in order to be able to establish a relevant presence in the global context.

CHAPTER 2: Sustainability in the tourism industry

2.1 Introduction

Often, when the issue of sustainability is mentioned, the general immediate semiotic connection is about the protection of the environment and all the good practices required to make it happen. One of the reason may be because the majority of the definitions used to speak about the topic use that word with the higher frequency, as we can see in Figure 2.1, obtained by crossing the results coming from the query "definition of sustainability" inserted in the Google search engine. The Figure shows, however, that there are many other terms and that the meaning can vary depending on the person who is using it (White, 2013).

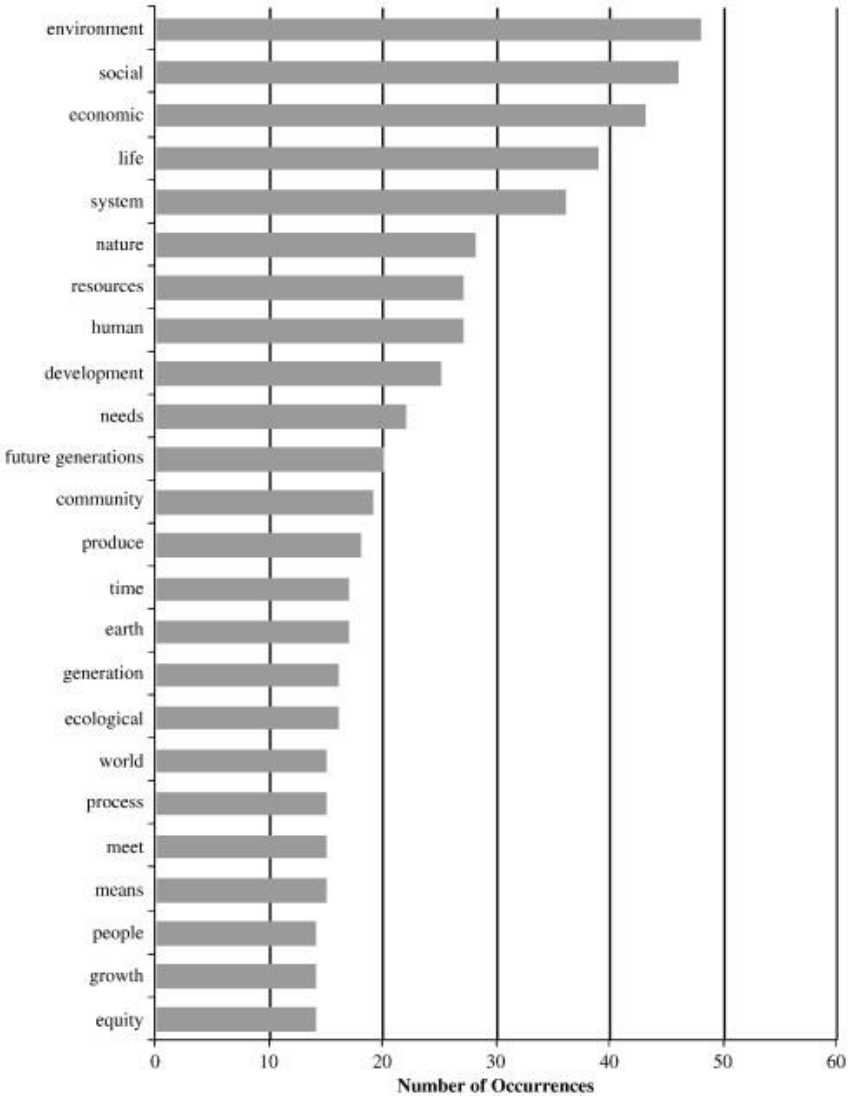


Figure 2.1 *Top 25 most frequent words/phrases in definitions of sustainability (White, 2013)*

If we look at the most common and most popular definition, there is an immediate connection with sustainable development, which is referred as the "development which meets the needs of the present without compromising the ability of future generation to satisfy their own needs" (World Commission on Environment and Development, 1987); first of all, as development is often considered, it implies a condition of continuous growth. Second, there is a lack of precise definition of the way people are supposed to satisfy their needs. One may think about the utilisation of resources, especially if the link with the environment holds; in this case, sustainability would mean using enough natural resources today in order to maintain a decent lifestyle while saving a part of them for the future generations. As we will see in detail in this chapter, however, definitions are countless and certainly do not limit to the sole consideration of the environmental aspect.

2.2 Definition of sustainability and sustainable development

Beyond the iconic definition, academics, businessmen, activists and politicians have found several ways to define the term throughout the years. Among this huge amount, which is very likely to create too much confusion, there are two statements worth quoting:

- "Sustainability means transforming our ways of living to maximize the chances that environmental and social conditions will indefinitely support human security, well-being and health." (McMichael et al., 2003).
- "Sustainability is the possibility that all forms of life will flourish forever." (Ehrenfeld, 2005).

These two quotes define more in particular what it is important to take into consideration when talking about sustainability, given that the term can be applied to a big variety of systems and subsystems; hence, we must consider and choose the ones that are worth to be sustained and for how long. The variable of time becomes crucial in measuring the effectiveness of choices tied to sustainability, meaning that measurements can be done only ex-post, but in the statements, time is considered as undefined, in the sense that sustainable systems are supposed to keep going at a regular pace without a date limit. Given the complexity of the topic, and given the vastity of fields in which sustainability can be applied, it is impossible to provide a succinct and mutually-agreeable definition, but as we did in the last chapter approaching the concept of branding, we can analyse sustainability from the business management point of view in order

to extract the most relevant elements that can be applied in the tourism industry and in the management of a tourism destination.

As confirmed by reading how the World Commission on Environment and Development defines the term and by the results shown in Figure 2.1, development is the word that often comes together in the concept of sustainability. Development became one of the main issues of the occidental world after the Second World War, together with peace, freedom and environment. While peace, freedom and development have been prominent matters on which the whole world has been changing throughout the years (end of imperialism, Peace Agreements among rival nations, commercial treats and communities and the like), environment became a key focus of international and national law and institutions only in more recent periods. Development has not been associated with sustainability since the beginning because of the initial consideration on the term, in the sense that development was considered as the actions that poor countries should perform to become rich, while the sphere of environment was isolated as the naïve concern of some political and social minorities. The two topics have been kept separated for a very long time before public consideration started to perceive them as intrinsically dependent and merged with each other. It was during the 1980s that institutional concern shifted, arguing for conservation as a mean to assist development and specifically for the sustainable development with mindful utilisation of species, ecosystems, and resources; firstly, in the 1972 Stockholm Conference on the Human Environment—where the conflicts between environment and development were first acknowledged—and then in the 1980 World Conservation Strategy of the International Union for the Conservation of Nature (Adams, 1990). That moment was one of the many in which environment ceased to be considered in the international arena as being a concern of specialists, of those involved in questions of "development assistance." "Environment" is where we live; and "development" is what we all do in attempting to improve our lot within that abode. The two are inseparable" (World Commission on Environment and Development, 1987).

So far, we have focused on the sustainability from one dimension only. In the academic literature, however, especially from the business point of view, there is a wider consideration of sustainability that covers three dimensions, under the name of triple bottom line. The concept finds its origin from the author and entrepreneur John Elkington in 1994, who unified the sustainability concept as an obligation for corporation to pursue growth under the three conditions of economic development, social justice and environmental stewardship. The connection with business, in particular with accounting, is promptly given by the decision to

use the term "bottom line", which usually indicates what is usually recorded in the final part of the revenues and expenses statement. In fact, it is sometimes referred as "full accounting", because it takes into consideration all the resources used by a company to run a business, and the eventual situation of profit or loss is not given only by the analysis from the monetary point of view. Furthermore, the three dimensions have also been generalized by Elkington as the three Ps: people, planet and profit, as an easier way to be remembered (Slaper and Hall, 2011). The underline idea behind the term comes from a wider conception of the persons interested in the actions of a company, which are not solely the shareholders but rather the stakeholders, i.e. anyone that can be influenced by the decisions taken by an enterprise. Analysing more in detail each dimension, we can see what Elkington meant when he first coined the term:

- The environmental bottom line, or Planet, refers to the protection of the natural context in which a firm is embedded by minimizing its impact and reducing, if not eliminating, the production of waste. As mentioned above, the theme is strictly correlated with the ecological aspect of running a business, in the name of which companies struggle to be committed through the usage of renewable energy, recycling the unused raw materials, reducing toxicity of wastes and, more in general, reducing the ecological footprint, i.e. the quantity of natural resources needed to support a person, firm or society and, more specifically, the total square meters of soil needed to provide those resources. This is another important aspect for the calculation of sustainability because it measures the impact of human activities on the planet and its biocapacity, which is the ability to regenerate the used resources (Zender, 2017). The Global Footprint Network provides interesting data about the exploitation of soil, calculating the ecological footprint of all human activities for every country; Italy, for example, stands in 14th position with 270 million global hectares needed to sustain our current regime, which means 4.5 per capita when, in order for the ecological footprint to be equal to Earth biocapacity, it currently should be 1.7 hectares. Globally speaking instead, there is also the Earth Overshoot Day indicator, which defines the day of the year when humanity has exhausted the budget of nature for the year. In 2017, the date was the 2nd of August, but if the regime of the whole planet was the one of Italy, Earth Overshoot Day would occur the 14th of May.
- The social bottom line, or People, regards the benefits that a business can provide toward its employees and the community in which it is inserted. Sustainability on this ground is given by conceiving a social structure in which interdependence of interests among corporation, labour and other stakeholders is guaranteed. In order to achieve

this state, there must be a constant pursuit of eliminating every source of danger or exploitation in order to provide benefit to as many constituencies as possible (Zender, 2017). Examples of best practices vary from industry to industry, but one of the most striking pieces of evidence may be the creation of a fair trade, in which the enterprise makes sure that the original producer of raw material, namely, the farmer or the breeder, receives a fair salary and retribution for the value generated within the company. More in general, the entrepreneur would ensure that whoever gets to work within or in contact with the firm would not be negatively affected: in particular, he would analyse the supply chain so that his/her purchasing decisions would not support child labour or exploitation in the broader sense; at the same time, he/she would keep the working environment safe and guarantee tolerable working hours, paying a fair salary and without exploiting the community (Alhaddi, 2015). Speaking of which, there should also be a bidirectional relationship between the company and the community, and sometimes the former actively contributes to the latter by supporting its vital services such as education or health. The whole concept finds many points in contact with the topic of Corporate Social Responsibility, which is gaining more and more importance in the evaluation of a corporation by being mentioned in financial statements and reports although remaining extremely difficult to be quantified, as we will see more in detail later in this chapter.

- The economic bottom line, or Profit, concerns the economic value that the organization creates after subtracting the costs of all inputs. It is often confused with the traditional accounting definition of profit, but it is important to notice the slight difference, in the sense that it refers to the economic benefits enjoyed by the society as a whole. The internal profit (or loss) of one single organisation is certainly a starting point for the computation, but it refers to the impact that a company has on its environment in economic terms (Arowoshegbe and Emmanuel, 2016).

The triple bottom line has witnessed increasing consideration throughout the years, reaching the apex in 2002 when in the World Summit on Sustainable Development the definition was officially adopted by an international institution, remarking the importance of pursuing sustainable development at the local, national, regional and global levels (The Johannesburg Declaration on Sustainable Development, 2002). In this way, there was a clear separation with the limited framework composed solely by development and environment, as well as an enriching contribution to consider the former way beyond the economic terms. In order to find

a more detailed way to define sustainable development, one can turn the analysis on the set of goals that each dimension seeks to achieve in a certain period of time; on the short-term (around 15 years), on the two-generation period (until 2050) and in the long-term (beyond 2050). In order to do so, we are going to analyse three different regulation happened in the past:

- The Millennium Declaration of the United Nations: announced in New York in 2000, up to 60 goals were established regarding the most important topics like human rights, environment, peace, development, and the like. For many of these, the General Assembly established very specific targets, for example ensuring primary school education worldwide or reducing poverty by half by 2015. The progress of these two goals, together with other six among the most relevant that were called Millennium Development Goals (MDGs), were monitored by international agencies which, by 2004, declared the impossibility and failure by some states to reach such goals because of the reduced rate of progress, individuated especially in Africa. The only way to success was a collective action by national governments and world community which were asked to increase the financial resources of $135 billion in 2006 and $195 billion in 2015, which was still lower than the aid flow from developed to developing countries calculated by the United Nation, corresponding to 0.7 of total Gross Domestic Product of industrialized countries. Despite some lacks and failures, the MDGs Report of 2015 states that significant achievements have been made, but some further progress is still needed to overcome the disparities; in general, the actions performed globally worked and can be considered as a successful tool to ensure even and uniform development without excluding the minorities (The Millennium Development Goals Report, 2015).
- The Sustainability Transition of the Board on Sustainable Development: announced in 1995 by the U.S. National Academy of Sciences with the objective to make sustainable development more meaningful to scientific analysis and contribution (National Research Council, Policy Division, Board on Sustainable Development, 1999). The period established is a two-generation time horizon in which the Board identified a specific set of needs that are required to be met in order not to be repeated in the long-term thanks to the demographic transition effect. In other words, the Board identified a set of practices to be performed to provide the most favourable life condition by 2050 (i.e. resources and information needed to feed, house, educate and employ the majority of people) while decreasing hunger and poverty, and sustaining the Earth basic life support

systems. To individuate such goals, the Board took into consideration several global conferences and world summit reports, together with regional and international treaties; some of the targets individuated were embodied in the UN Millennium Declaration, and concluded by stating that sustainability transition was possible even without assuming either a technological miracle or a social revolution

- The Great Transition of the Global Scenario Group: based on the report of the Sustainability Transition, it went further in the analysis of the probability that such transition would happen with discouraging results, because its feasibility was based on governmental commitment and politic willingness; as an integration to increase the probability of successful fulfilment of previous targets, the Great Transition is based on a more idealistic settings to achieve "enriched lives, human solidarity, and a resilient biosphere", as indicated in the webpage of the initiative. Such settings propose to give a representation of development measured by the quality of human knowledge, creativity and self-realisation instead of the capacity to buy goods and services. In other words, it tries to provide a substantial detachment from the consumerism philosophy in which good life and personal fulfilment are dictated by material consumption, even though further details about a description of what a good life consists in are not (or not completely) given.

Eventually, a complete and clear definition of sustainability and sustainable development cannot be found, and the topic remains deliberately elusive. Some would also claim that it should be considered as an oxymoron, irreconcilable and contradictory. However, each attempt made to try to find a definition gives its contribution to nurture a constant dialogue, creating a dynamic and open idea which is able to be adapted according to the different situations and contexts that can be as complicated and heterogeneous as the natural ecosystems and human societies around the world. Its strength can be identified as the malleability to be redefined and readapted by different actors situated at different levels within the society (from local to global, from one industry to the other, from public institutions to private businesses) in order to address different challenges (Kates et. al, 2005). At this point, given the principal guidelines analysed, a step further is required to understand in detail what is the meaning and possible application of sustainability within the tourism industry.

2.3 Application of sustainability in the tourism industry

Before talking about what sustainable tourism means, it is important to clarify the meaning of the term industry within the tourism perspective. As many have pointed out, one cannot talk about industry in the traditional sense, or at least not as it was a single industry. The range of products and services that are included in fact is wide and, under a certain point of view, also unclear. If we look at the term "industry" under the economic perspective, we can identify three main characteristics defining the topic: individual business establishments grouped together; revenue produced by economic units; and the production and sale of a common product in terms of substitutability (Davidson, 1998). Clearly, by looking at the definition, we can state that tourism goes way beyond this straightforward approach. The typologies of businesses included in tourism, in fact, are diversified with each other, and the range of the services they provide is addressed to different layers within the same context. Namely, we can distinguish three typologies of businesses (and consequent relationships with the client):

- Primary trades, which are the ones that come easily to mind for serving the services that are most affiliated with the travel and tourism conception (e.g. travel agencies, transport, accommodations, tour companies, catering facilities, and the like);
- Secondary trades, i.e. the ones that support tourism activities but can be associated to other industries as well (e.g. banks and insurance companies, retail shopping, personal services, entertainment and leisure activities, and so on);
- Tertiary trades, which are the ones providing the fundamental infrastructures and support activities for the whole territory, other than tourism itself (e.g. manufacturing, food and fuel, and all the public sector related services) (Lickorish and Jenkins, 1997).

From the product perspective, we can find some incongruences with the common idea of product by being mostly intangible and multiple. Also in this case we can identify three dimensions: at the macro level, there is the experience, indicating everything that the tourist gets in touch with, utilizes, and feels during the stay; then, there is the place, meaning the territory or the destination where the visitor consumes both the tangible and intangible components of the experience; at the micro level, there are the tangible products, i.e. the ones that the tourist individually buys, for example the accommodation, the meals, the souvenirs, and so on. Furthermore, tourism products are non-rival, meaning that the use of the product by one person does not prevent the simultaneous consumption by other persons, and still the individual can perceive his or her consumption as unique and different from the other by focusing the experience on certain characteristics. In general, the acquisition of tourism

products gives the right to use them, but not to own them, which means that such products will never suffer from stock shortage, given that the utilization of some resources is undertaken responsibly. On the other hand, the client can find it very difficult to evaluate the product before consumption, and after utilisation there is no way of returning it for incorrect fit or unsatisfying content; on this aspect, internet and the evolution on communication technology has helped the customers very much, through the well-known diffusion of rating and ranking sites in which accommodations and experiences are described and documented, giving the possibility to be informed in advance and to have a sample of the product, even though the experience cannot be transmitted at the distance yet. In fact, tourism products have the feature of being immobile, and there is no other way of enjoying it completely if not by taking the tourist to the destination. Another distinctive treat is the complementarity, meaning that very often the products can exist only before or after the presence of another product, without possibility of replacement; for example, hotel accommodations cannot exist without the transportation to a destination, as well as an accommodation cannot represent the entirety of a tourism experience. When a consumer purchases tourism products, there is a voluntary or involuntary acquisition of a bundle of goods and services which could not even survive without the existence of each other. Eventually, tourism products suffer a very flexible demand, which is particularly dependant on exogenous forces, especially at the local level: variables such as political instability and change of exchange rates can represent a concrete threat for some destination while contemporaneously be an advantage for others. Moreover, given that it is not perceived as a primary expense (although it's the priority of expenditures on leisure is increasing worldwide), the resources that clients decide to invest on travelling can vary very much from one period of time to the other; internationally speaking in fact, the expectations are promising, and the trend of the economic relevance of tourism is increasing (O'Fallon, 1994).

On the larger scale, the importance and the contribution that the international tourism industry represents for the global economy and development is astonishingly huge. By looking at the ordinary statistics of the year 2016 we can see that the direct contribution of the tourism industry consisted in 3.1% of global GDP, corresponding to $2,306 billion, while concerning the total contribution, that takes into consideration also the indirect (i.e. investment spending on travel and tourism, government spending and the purchases from suppliers) and the induced impacts (i.e. food and beverages, recreation, clothing, housing and household goods), we can observe a 10.2% of global GDP, corresponding to $7,613.3 billion. Both amounts are expected to grow in the next 10 years, respectively by 4% (up to $3,537 billion) and 3.9% (up to

$11,512.9 billion), following the trend that has characterized past years, as we can see in Figure 2.2. The picture, dated March 2017, depicts also the expectation for the whole year, which has been substantially confirmed by the preliminary data available at the moment (World Travel and Tourism Council (WTTC), 2017).

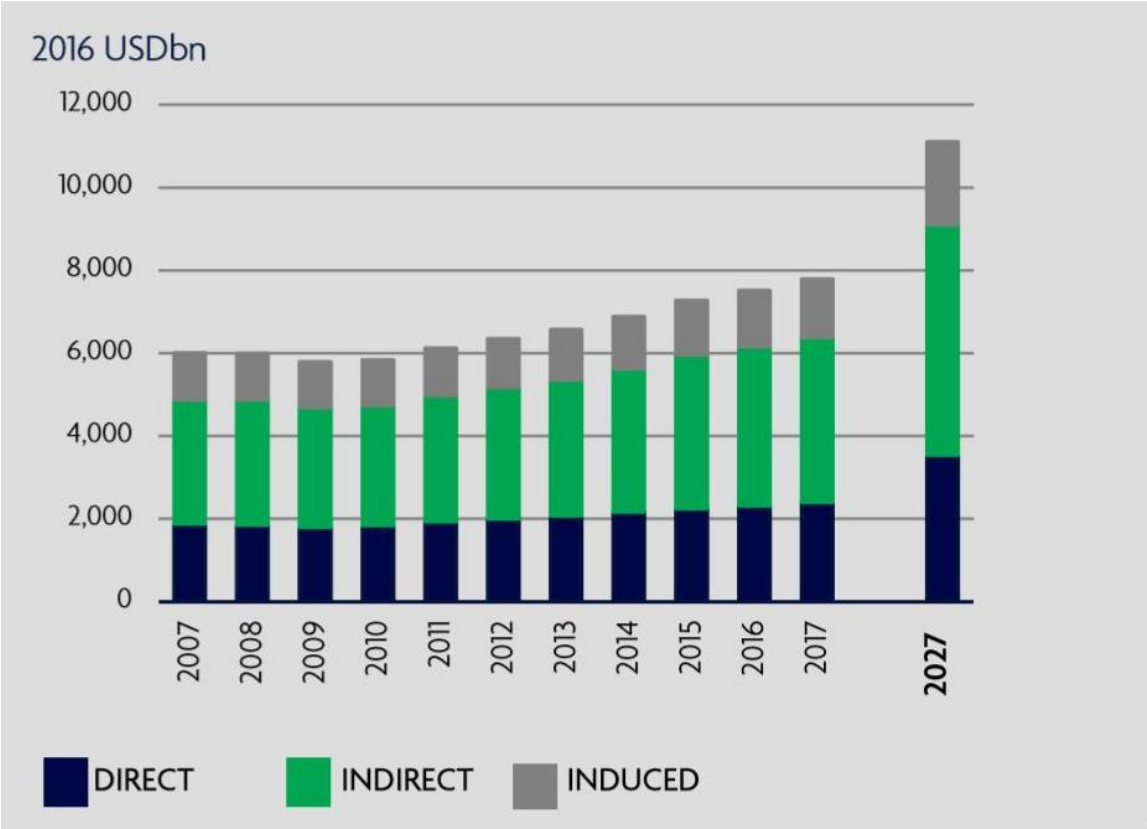


Figure 2.2 *Total contribution of Travel and Tourism to GDP (WTTC, 2017)*

Given this general panoramic, and given the growth that is expected, the question of whether the environmental and the social contexts are able to maintain the actual pace while guaranteeing the same benefits for future generations arises spontaneously. Together with the WTTC, which is a forum through which the top 100 leaders of the world's biggest and most successful travel and tourism companies meet to dialogue about the best practices and policies that should be implemented to pursue a balanced economic growth and a sustainable industry, there is another agency with the aim of promoting universally accessible, sustainable and responsible tourism policies worldwide, whose members are composed of entities representing the private sector, tourism associations, educational institutions, and local tourism authorities, the United Nation World Tourism Organization (UNWTO). The two entities work jointly, in order to concentrate the efforts aimed firstly to globally spread awareness about the main tourism issues while protecting and monitoring the utilisation of social,

environmental and economic resources. As recent surveys demonstrate, their work is turning out to be effective both for travellers, whose awareness and support for sustainable destination is increasing, and for businesses and institutions, which are engaging good management, strategic planning, responsible leadership and sustainable tourism policies with higher frequency and density with the final aim of sustainability and economic prosperity at the community, destination and country level (Edgell, 2006).

In synergy with the approaching attitude demonstrated by individuals and companies, and together with the efforts of international entities, nations have started to collaborate as well under the coordination of the United Nations which, both at local and global level, organizes periodic forums with the participation of almost all the countries on Earth with the aim to discuss about sustainable tourism development. The origin of this kind of initiatives can be traced back to 1992, with the UN Conference on Environment and Development held in Rio de Janeiro, Brazil; in this occasion, 172 countries were present, 108 of which with the direct participation of the head of state, as an indicator of the priority importance of the topic. During the event, Travel & Tourism was identified as one of the key sectors of the economy with the potential of giving a positive contribution to achieve sustainable development. The outcome of the conference was a report, called "Agenda 21", in which, together with a plan of action to be adopted by all member states, there were three themes related with sustainable tourism:

- "The need for partnerships between the public and private sectors;
- The maintenance of quality-of-life without compromising the future well-being of the people or the planet;
- An emphasis on preserving environmental sustainability" (United Nations, 1992).

The Conference was the starting point for a long series of meeting among WTTC, UNWTO, and Earth Council which took place from 1992 to 1996 and where the principles and policies were discussed in order to be combined within the context of tourism industry. The outcome was the initiative called "Agenda 21 for the Travel and Tourism Industry: Towards Environmentally Sustainable Development". Within the report, the main characteristics of the industry were outlined, and four of them are worth to be quoted:

- Reduced impact on environment and natural resources with respect to other industries;
- High and powerful motivation to protect the natural environment, built heritage, and local culture because the industry is based on the appreciation and enjoyment of these assets;

- Because of its incomparable consumer distribution channels, it can be an important factor in increasing consumer commitment to the sustainability issue;
- Tangible advantage in the conservation of natural habitats and environment as an economic incentive, so that said territories would not be allocated to other uses, therefore maintaining bio-diversity and decreasing the environmental damage (WTTC and International Hotel & Restaurant Association, 1999)

20 years after the first conference, there was the Rio+20 Conference on Sustainable Development, held in the same city in June 2012; this time, Travel and Tourism was within the main topics of the discussion, and further recommendations about innovative measures and policies for countries to implement with the purpose of evolving a sustainable and competitive industry. The main issue about these Conferences and all the meetings that have occurred (followed by just as many drawn up reports) throughout years is that although theorists can be satisfied by the outcome, it remains quite difficult for practitioners to implement such policies at the operational level in the field. The Galapagos Islands are a good representation of this issue: during the '70s, they started to be the destination of many cruises coming from North America, which meant a consistent income for the government of Ecuador, given also that tourists spent dollars, which was a stronger currency than the local Sucre. After a while, the government understood that uncontrolled flows of tourism could lead to the excessive exploitation of the islands with a consequent destruction of the habitat and a jeopardization of the attractive potential. After the recognition as UNESCO World Heritage in 1978, the archipelago started to get additional national and international funds with which the government established the Instituto National Galapagos, which was in charge of assisting the public institutions in the planning, coordination, financing and implementation of projects for the infrastructure's development in line with the objectives of territorial conservation. After a research, the government established the maximum carrying capacity of the islands to 12'000 tourists a year; the limit, however, has never been respected, since in 1980 there were already 18'000 visitors. Because of several factors (global and local economic crisis, internal political crisis, brief war against Peru, and strong devaluation of the local currency), the number of visitors has fluctuated until 2001. During the '90s another research was made and a new higher limit of visitors per year was established (25'000), but despite that, there was no will to respect it; in 2000 tourists reached the quantity of 72'000, and they kept on increasing until 2005 with 122'000 visitors. The archipelago was clearly overcrowded, and despite the good intentions and the guidelines of government and public institutions, the situation was absolutely

unsustainable. Both the government and UNESCO were forced to declare the state of emergency and, in 2007, the Galapagos Islands were registered in the list of the heritage sites in danger. From that moment, the principal players, i.e. at the local, provincial and national level, started a process of analysis of the state of tourism, of migrations, and of the human development impact on the inhabited islands. All together, they proposed a fundamental change of the activities, making sure that tourism could become a tool for sustainable conservation and valorisation. In 2009 new strategies were implemented and the Ecotourism model was adopted. According to the definition of the World Conservation Union of 1997 that can be found in the website, Ecotourism is understood as the "environmentally responsible travel and visitation to natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features, both past and present), that promote conservation, have a low visitor impact, and provide for beneficially active socio-economic involvement of local people". Ecotourism, however, does not necessarily mean sustainable tourism, as we will see more in detail later in this chapter. Up to these days, the beneficial effects have positively influenced the environment of the archipelago, and there is an increased awareness by the tourists about the importance of preserving such natural and cultural treasure. The government, thanks also to the use of internet that permits a direct management of the incoming tourists, has become able to handle the flow of people that want to visit the islands and have a direct communication channel through which it can transmit the intrinsic value of the place (Lazzara, 2014).

As this example has highlighted, it is extremely difficult to follow the international guidelines' principles and to find a direct correspondence at the local level. Indeed, at the operational level, every reality must be considered separately, and its characteristics must be analysed one by one in order to recognise which practices should be implemented and which factors should be enhanced. The perspective of sustainable tourism must always be considered in the long term, meaning that the positive effects cannot be evaluated in terms of a few years but in terms of decades, with a consistent higher durability of the outcome in the sense of increased potentiality to grow. However, in the Galapagos example we can see that the three principles of sustainable development defined by the UN Conference on Environment and Development have been fully respected: public and private sectors have cooperated in order to manage and redirect the incoming flows of tourism; the inhabitants of the islands have witnessed an improvement in the quality of life while adopting measures to protect the territory in the construction and usage of modern infrastructures; the principal gear from which all the efforts have generated was the intrinsic desire from government, population and international

institutions to preserve the environment and to make it socially, environmentally and economically sustainable in order to keep the unique characteristics of the territory so that future generations can visit and enjoy it.

It is important to point out that the concepts of ecotourism and sustainable tourism are not exactly interchangeable, and they do not even mean the same thing. The former refers to being more connected with nature and to choose more alternative sites, the ones that are more undisturbed and that are proposed as a clear alternative to mass tourism. The website ecotourism.org defines it as "responsible travel to natural areas that conserves the environment, sustains the well-being of the local people, and involves interpretation and education"; often it is suggested as a form of sustainable tourism because the concepts and the general ideas are comparable, but, as stated by some scholars, ecotourists can actually be more demanding than mass tourists, with a higher proportional impact on the particular environment. The paradox is explained if we think of the better planning and organization that can be applied in mass-touristic areas, where economies of scale can be applied and the actual cost of providing the basic services can be fragmented among a higher number of people. As an example, we may refer to the basic fixed cost of installing the electricity cables for the housing purpose: it is more sustainable if the cable is then attached to a small village or a town than being used by one isolated home only, and the same can be applied to other supplies or service (e.g. water supply, waste collection and management, and the like). Mass tourism in this scenario can be more readily and thoroughly planned for and handled (Wall, 1997). The main issue, however, is that there is still a vivid perception of distinction between mass tourism (which is the normal and clearly most common) and sustainable tourism, often seen as an alternative form reserved only for those travellers that want to live a different and uncommon experience in some exotic places with no modern commodities. In this way, all the concepts and good intentions that are being promoted and pursued over sustainable tourism become useless and counterproductive. With the popular conceptualization of distinction between “good” (i.e. alternative) and “bad” (i.e. mass) tourism persists, then sustainability can turn out to be a divisive force in the society (Swarbrooke, 1999). As strongly pointed out also by the UNWTO, sustainable tourism concepts should not be limited as an elite consideration of an unusual form of travelling; it should instead find application in all forms of tourism, obviously derived according to the intrinsic characteristic of each reality, also as a mean to promote sustainability in other aspects of a given society embedded in a given environment. Of course, some kinds of tourism can be considered as more sustainable than others, but it depends very much on the

particular aspects of each typology and, since standardisation is very difficult to apply, each situation must be considered separately. Operationalisation is crucially complicated, but the main issues that sustainable tourism tries to address are substantially five: boost the planning in the long-term view, enhance the consideration of equity, inspire the critical evaluation of tourism, enhance the importance of linkages among different sectors, and make the collaboration and cooperation easier among different stakeholders. Being able to consider and then deal with these five issues constitutes a real progress on sustaining tourism in general and on promoting more thorough and more responsible forms of tourism in order to foster social, environmental, and economic attributes at both the global and local level (Berno and Bricker, 2001).

CHAPTER 3: Overview of Italian and Veneto region tourism industry

3.1 Introduction

The attractiveness of Italian tourism destinations is notoriously high in the global context. The country homes one of the richest cultural and natural heritage of the world, with 53 properties inscribed on the UNESCO World Heritage List, as indicated in the Organization website, beyond having a very diverse and harmonic territory whose offer can satisfy whichever kind of tourism need the traveller has. One of the strengths of the Italian tourism, in fact, is the amount of different destinations categories among which the tourist can choose, from the relaxing sunbathing holiday on the beach to the adventurous hike in the mountain, from the cultural trip in the city to the thermal vacations, and many others. Beyond differentiating by tourism categories, the territory hosts a big variety of social realities as well; even though big cities are the most famous destinations, there is an astonishing amount of small and medium towns that can offer an interesting and pleasant atmosphere. The European context in which Italy is embedded has positively contributed to the development of the industry, thanks also to the fundamental right of free movement on which the European Community began to lie its foundations, but we can identify tourism movement way earlier than Europe establishment and way further than its borders, as testified by the presence of international travellers. The tourism industry, moreover, does not rely only on the inbound movement coming from other countries but also on the domestic movement, which has witnessed a consistent increase in the last years, as we will see more in detail later. Together with the rich heritage, however, we must consider some negative traits that decrease the overall quality of what Italy has to offer: from the national to the local level there is a lack of long-term management policies, resulting in the inability to handle the income of mass tourism; similarly, infrastructures often do not respond to the necessities and lead to an unpleasant experience, decreasing the overall tourism quality; sustainability is often perceived as an issue instead of an opportunity because it reminds of the possible fines a structure or a city is forced to pay if it does not meet the requirements imposed by a higher institution. All these issues, among others, are supposed to be resolved through a different attitude, but this is clearly a goal that is difficult to reach.

This chapter focuses on the analysis of the Italian tourism industry according to the usual performance indicators, such as arrivals, bed-nights, revenues, and the like, relying on the quantitative data provided by ISTAT (Italian Statistic Institute) and other entities that measure

the trend of the industry. Furthermore, there will be a focus on the Veneto region with the same approach, followed by insights about the seaside sector with an emphasis on its attractiveness and competitiveness.

3.2 Italian tourism industry

To analyse the trend of the tourism industry we will consider the data from 2016 backward because, at the moment of writing this, these are the latest data available from an official source. The data about daily movement of tourists are transmitted by the accommodating structures to the intermediary authorities, which are divided into three levels: regional, provincial (i.e. provinces or correspondent provincial agencies of touristic promotion), and sub-provincial (e.g. touristic information and hospitality agencies). The authorities have the duty to collect and organize the data according to the MOV/C model, which would then be forwarded to the Institute through certified and protected channels. The collection of data follows the guidelines provided for by the community methodology and by the conceptual and methodological framework called International Recommendations for Tourism Statistics 2008, drafted by the UNWTO in cooperation with the United Nations Statistic Division, the Internal Labour Organization and other members of the Inter-Agency Coordination Group on Tourism Statistics. For the purpose of the research, tourism is defined as "the set of activities and services regarding the people who move outside their habitual environment for holiday or for work reasons" (ISTAT, 2017). To this extent, it is important to define the habitual environment as the usual movements a person make in a certain period of time (weekly or monthly) to the same destination, different from the place of residence; the distinction permits to differentiate the touristic phenomenon to mobility, which is attributable to daily life and individual habits. Indeed, the approach is applied for all those people who daily or weekly move for professional, educational or personal reasons, i.e. when the movement to another place constitutes a routine activity. As for the results, the quantities of inbound and domestic tourism are considered. Later in the chapter, there is also a consideration of outbound tourism in relation to internal tourism, but for the moment we will consider only the tourism that positively contributes to the national economy.

At the European level, the accommodation structures in the 28 countries of the EU registered 2.9 billion bed-nights in 2016, with an increase of 3.4% with respect to 2015. Spain leads the ranking, with 455 million (15.8% of the total) and an increase of 7.9%, followed by France with 404.8 million (with a decrease of 2.1% with respect to 2015). Italy stands third, before

Germany, and these four countries together cover more than a half of total bed-nights in the European Union (57.8%). Table 3.1 shows the first 10 countries in terms of bed-nights, the share on EU28 total bed-nights and the variance with respect to 2015 performance.

COUNTRY	2016 bed-nights	% share on EU28	% variance on 2015
Spain	454,957,250	15.8	7.9
France	404,763,426	14.1	-2.1
Italy	402,962,113	14.0	2.6
Germany	388,851,871	13.5	2.6
Great Britain and Ireland	333,465,956	11.6	-0.4
Austria	117,957,253	4.1	4.1
Netherlands	106,212,858	3.7	2.5
Greece	101,807,354	3.5	6.0
Poland	79,393,860	2.8	11.5
Croatia	77,824,114	2.7	7.8

Table 3.1 *Top 10 EU28 countries in bed-nights (Banca d'Italia, 2017)*

Among the first 10, we can see a significant increase in the last year for Poland (+11.5%), Spain (+7.9%) and Croatia (+7.8%). In decline France (-2.1%) and Great Britain (-0.4%), as an assumed consequence of the terroristic attacks that have happened more frequently in the two countries (Banca d'Italia, 2017).

In the ISTAT report of Italian touristic movement released the 30th October 2017 we can see that 2016 has been a year of growth for Italy, with an increase above the historical records of both bed-nights (402.9 million, 10 million more than previous year, i.e. 2.6% more) and arrivals (116.9 million, 3.5 more than 2015, meaning +3.1%). The results follow the positive trends of the last years, depicted in Figure 3.1.

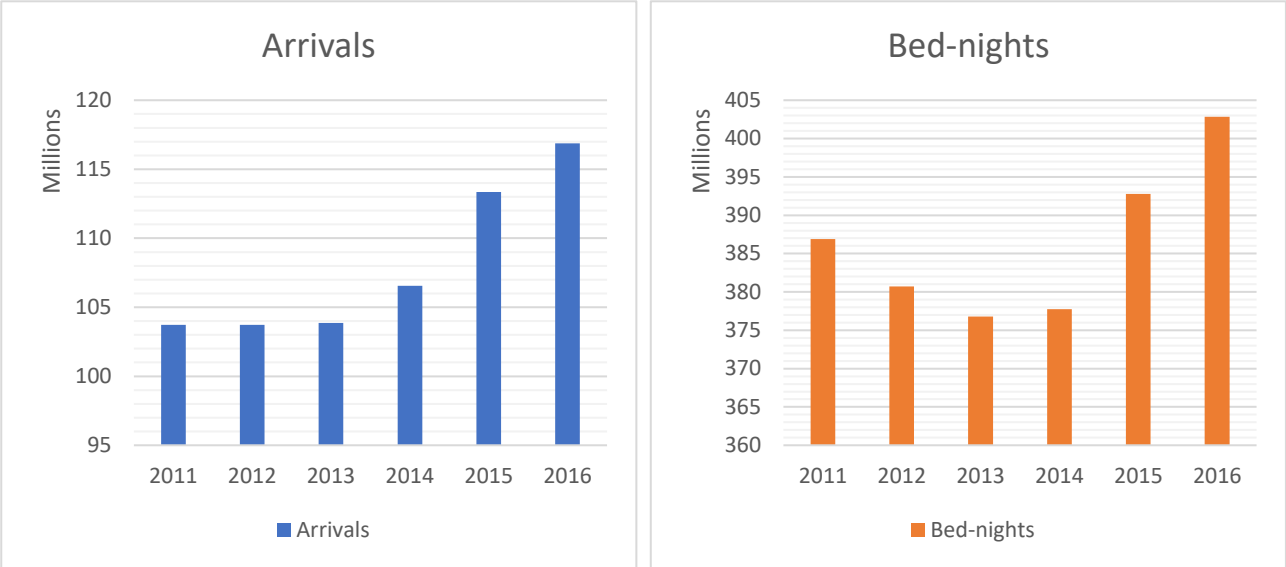


Figure 3.1 *Arrivals and Bed-nights (ISTAT, 2017)*

As we can see, after some years of constant flow, the arrivals have been increasing since 2014, when we can identify a shift from 103.9 million of the previous year to 106.6 million, resulting in an increase of 2.7 million, i.e. +2.59%. On the other hand, bed-nights also have increased in 2014 after years of decline, but not at the same pace: from 376.8 million to 377.8 million, which corresponds to a +0.26% variation. 2015 is the year that registers the highest relative growth of Italian tourism, with 113.4 million arrivals (+6.38%) and 392.8 million bed-nights (+3.97%). In 2016 we have an increase of 3.12% and 2.57% respectively (ISTAT, 2017). From these data we can calculate the average stay per person, which is characterized by a slight decrease, in line with the international trend of shorter but more frequent holidays throughout the year; from 2013 to 2016 the average stay has decreased from 3.63 to 3.45 nights. Holidays constitute the highest share of touristic flow, with 86% of movements related to leisure; the remaining 14% regards travels for work (Eurostat, 2017). It is important to notice the difference between hotels (i.e. hotels from one to five stars, hotel villages, hotel residences, boarding houses, motels, antique hotel residences, *garnì*, historic abodes, and beauty farms) and non-hotel accommodations (i.e. campsites and camping-equipped areas, resorts, houses for rents, agritourism, youth hostels, mountain shelters, and bed and breakfasts): the former has an average stay of 2.97 nights per tourist, while the latter registers the average of 5.07 nights in 2016. Moreover, hotel accommodations represent the favourite choice for tourists, with 90.3 million arrivals and 267.7 million bed-nights, on the rise of +1.4% and +1.8% with respect to 2015, respectively (ISTAT, 2017). Figure 3.2 gives a visual representation in terms of shares.

Non-hotel accommodations register higher growths of both arrivals (+9.5%) and bed-nights (+4.2%).

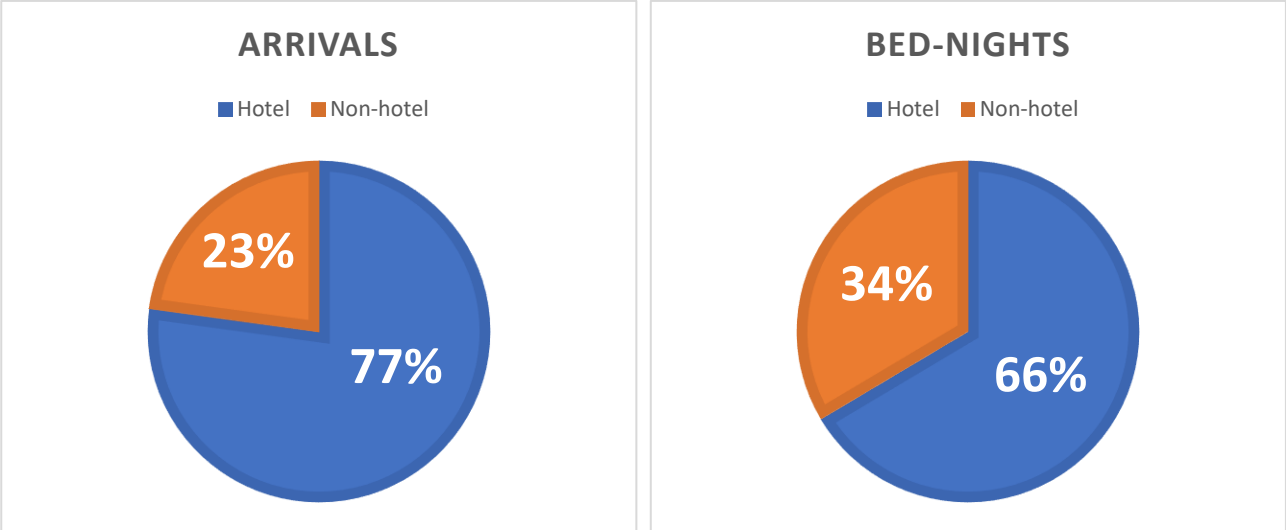


Figure 3.2 *Shares of hotel and non-hotel arrivals and bed-nights (ISTAT, 2017)*

Inbound and domestic tourism weigh almost in the same way: the former counts 199.4 million travellers, +3.5% than 2015, the latter 203.5 million, with a growth of 1.6% than the previous year. The distribution, however, changes a lot from region to region; while some of them register a higher presence of inbound tourism (68.6% in the province of Bolzano, 67.2% in Veneto, 61% in Lazio and 59.9% in Lombardy), most regions in the centre and the south witness an almost exclusively presence of domestic tourism (e.g. 90.2% in Molise, 89.3% in Basilicata, or 85.7% in Abruzzo). Figure 3.3 gives a graphic representation of the domestic and inbound division for each region, together with the share of total national tourism. As we can see, Veneto turns out to be the most attractive region, with 16.2% of Italian bed-nights, corresponding to approximately 65.4 million. What is impressive is that the region has a very strong appeal to inbound tourists, attracting 22% of total foreign travellers, meaning about 43.9 million; just for comparison, Trentino-Alto Adige follows with 14.3% share, which corresponds to 28.5 million, a difference of 15.4 million. These two regions, together with Lombardy, Emilia-Romagna, and Tuscany, make up more than half of the total national bed-nights, precisely 57.8%, showing an uneven attractiveness of the country.

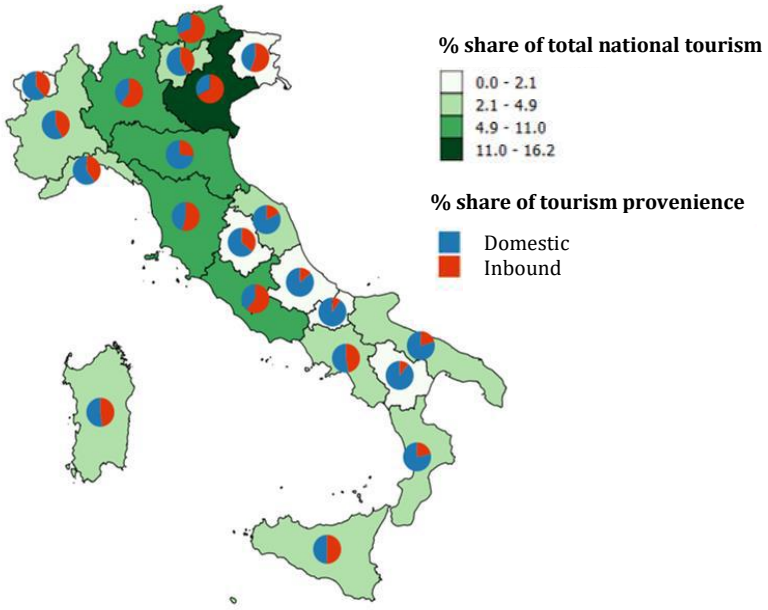


Figure 3.3 *Percentage share of total national tourism and of tourists' provenience (ISTAT, 2017)*

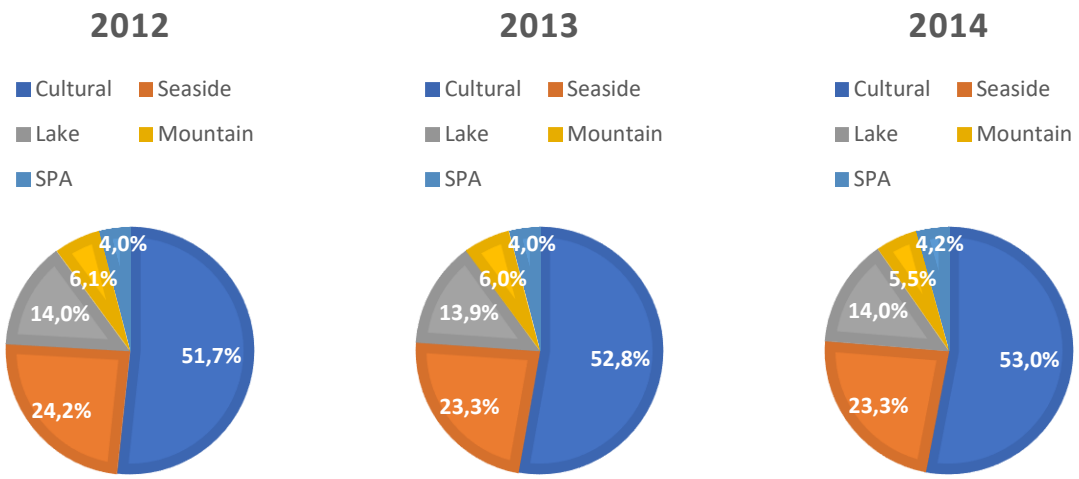
Concerning the economic aspect, as previously mentioned, the direct contribution of the tourism industry in the global Gross Domestic Product is 3.1%, corresponding to $2,306 billion, while concerning the total contribution, that considers indirect and induced impacts, we can observe a 10.2% contribution on global GDP, corresponding to $7,613.3 billion (WTTC, 2017). Italian tourism's performance is a little better in terms of relative direct contribution, which is 4.6% of total GDP (i.e. $86.2 billion), while total contribution consists in 11.1% ($207.6 billion), considering also indirect and induced tourism as we did at the international level (WTTC, 2017a). Compared with other industries within the national context, it ranks third in terms of absolute and relative contribution to GDP, behind retail and financial services industries. In the last twenty years, we have witnessed an expansion of 6.9% of GDP for the direct tourism sector, in front of a 7.7% expansion of the total economy. In the next ten years, the Italian economy is expected to grow 0.9% per year, while tourism GDP is expected to grow at an annual average of 1.7% (WTTC, 2017b). In the international context, Italy ranks 7th for tourism's direct contribution in absolute terms, just below France and United Kingdom (5th and 6th) and above Spain (10th), while it ranks 8th for tourism's total contribution, between France and Spain, widely above European Union average (21.8 billion and 60.1 billion, respectively). As for employment rate, travel and tourism support 2.867 million jobs, 1.246 million of which employed in the direct activities, corresponding respectively to 12.6% and 5.5% of national employment. Current forecasts expect a growth until 3.455 million jobs within 2027, corresponding to 14.5% of total employment in ten years. The retail industry is the only one

employing more people at the moment, reaching almost 6 million jobs as for total contribution (WTTC, 2017a).

Another interesting indicator of the impact of the travel and tourism industry on the total economy concerns the potential of the investments made: it has been calculated that for each dollar spent on tourism enhancement there is an equivalent positive increase of 1.4 dollars in the total national GDP (WTTC, 2017b); the impact is larger than any other sector, except education. Moreover, also in terms of leakages, tourism turns out to be very efficient: only 10% of spending is allocated on imports, while the rest remains in the national economy. Travel and tourism is characterized by the positive effects it has on other industries, given that indirect and induced contribution represent more than a half of the total value; indeed, for every $1 million spent on tourism, it has been calculated a positive impact of $131,000 in real estate sector, $52,000 in financial services, and $105,000 on retail and wholesale sector. On the employment side, tourism and travel are capable to support 17 jobs for every million spent, just behind education (19 jobs per million) and above agriculture (16 jobs), way over the average of the economy of 12 (WTTC, 2017b).

3.3 Veneto region tourism industry

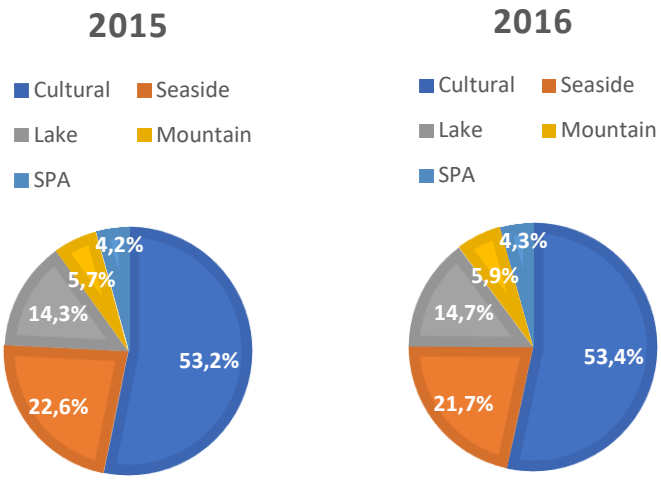
As mentioned above, Veneto region is the most performing in terms of attractiveness: in 2016 it registered 65.4 million bed-nights and 17.9 million arrivals, most of them generated by foreign travellers. In 2015, Veneto region was the 6th at the European level in terms of nights (Eurostat, 2017a). The majority of visitors is concentrated in Venice, which totalizes almost one third of the total arrivals (approximately 5.1 million) and whose proximity constitutes an added value for a lot of municipalities within and outside the province, but as we will see in detail there are many smaller realities that obtained interesting results in the recent period. In analysing the performances, I used a different approach, with the objective of identifying which factors influence the most in the development of the industry. Moreover, in order to recognise a trend, I have considered the data of the last five years, i.e. from 2012 to 2016, the country of origin of the visitors (Italians or foreigners) and the typology of tourism, divided into five different branches: cultural, seaside, lake, mountain, and SPA. The general results are displayed in Figure 3.4, with the relative percentage change according to previous year's affluence.



Total number of tourists: 15,818,525
Change from previous year: 0.343%
Av. percentage of foreigners: 64.7%
Av. stay (in days): 3.968

Total number of tourists: 15,984,972
Change from previous year: 1.003%
Av. percentage of foreigners: 65.5%
Av. stay (in days): 3.885

Total number of tourists: 16,262,479
Change from previous year: 1.781%
Av. percentage of foreigners: 65.2%
Av. stay (in days): 3.801



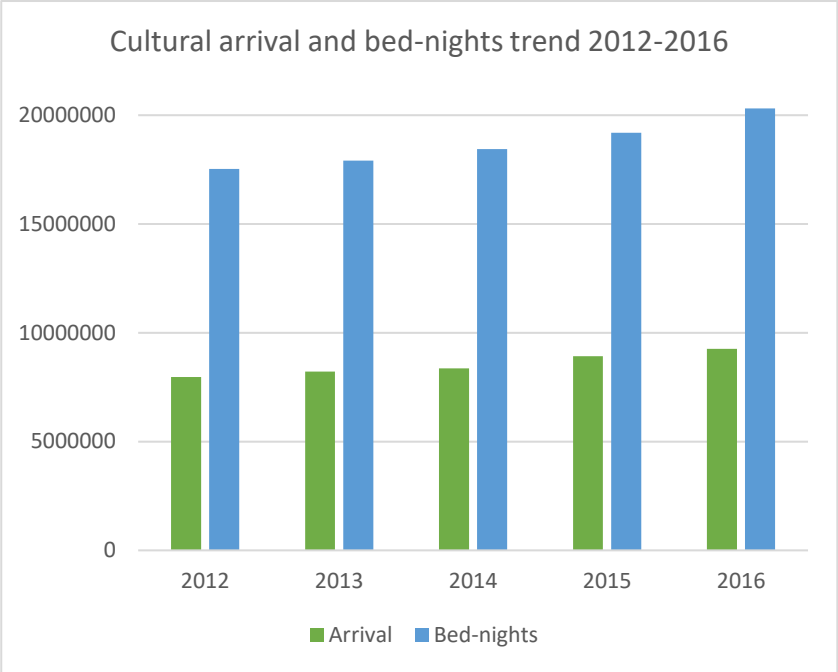
Total number of tourists: 17,256,892
Change from previous year: 6.147%
Av. percentage of foreigners: 65.0%
Av. stay (in days): 3.636

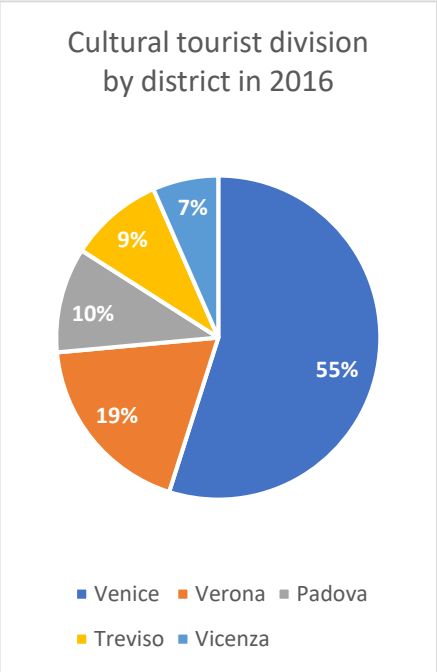
Total number of tourists: 17,856,567
Change from previous year: 3.533%
Av. percentage of foreigners: 64.6%
Av. stay (in days): 3.667

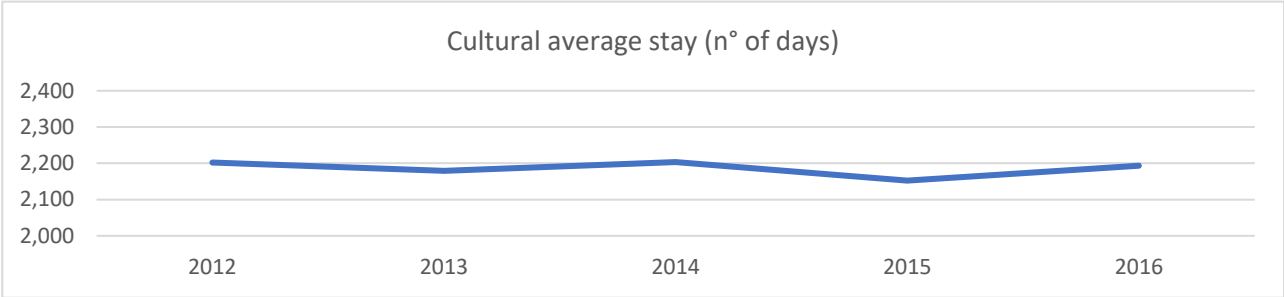
Figure 3.4 *Elaboration of the data provided by the regional statistic institute*

The figures show some interesting results: first of all, we can see that the tourism in Veneto has constantly increased in the last five years. The absolute number of tourist arrivals in the region changes from 15.8 million to 17.8 in just five years, with an impressive peak of change in 2015 (+6.1% with respect to 2014). In the last year, we can still see a growth in the number of travellers, even if it is a little lower than before (+3.5%). Throughout the years, the percentage of foreign tourists remains more or less constant around 65%; as we will see better in details later by analysing the data of every specific branch, however, foreign visitors widely prefer lake destinations, with peaks of 73% of foreign bed-nights, instead of mountains and thermal baths, where foreigners account for 32% of the total arrivals. Another interesting detail comes from the average number of days tourists stay in the facilities: conforming to the general trends happening in the whole national territory and in Europe, holidays are getting shorter, with a preference for several relaxing periods during the year instead of a single longer one. Although the difference may not seem so big, a deeper analysis is required in this context; in fact, while for cultural destination the average has remained unchanged throughout the years (2.2 days), we can witness a substantial drop in the other branches, especially for mountains (from 5.2 to 4.2) and SPAs (from 4.6 to 4). Anyway, since most of the visits concerns artistic and historical destinations, the total average of permanence has not changed disruptively.

In the following part, I focus the analysis on the main areas of interest that constitute the most relevant source of tourism attractiveness and revenue, i.e. cultural, seaside and lake. In order to do so, I put together the data of the five major municipalities in which we can find the related typology of tourism. Concerning the cultural branch, I analysed the information of the municipalities of Venice, Verona, Padova, Treviso and Vicenza; the results are displayed in Figure 3.5. These are some of the observations that we can do regarding the figures above: following the general trend of tourism of the whole region, the cultural branch witness a constant increase both in the number of arrivals and bed-nights, reaching almost 10 million check-ins (9,263,546) and overtaking the 20 million bed-nights (20,314,503) in 2016. The average stay is very low, floating around 2.2 days per tourist. As predictable, the most visited area is Venice, where in 2016 there were a total of 5,086,677 arrivals, corresponding to a 55% of the branch. Verona follows with 1,725,908 visits, which means 19%. The other three represent the 10%, 9% and 7% in the following order: Padova, Treviso and Vicenza.







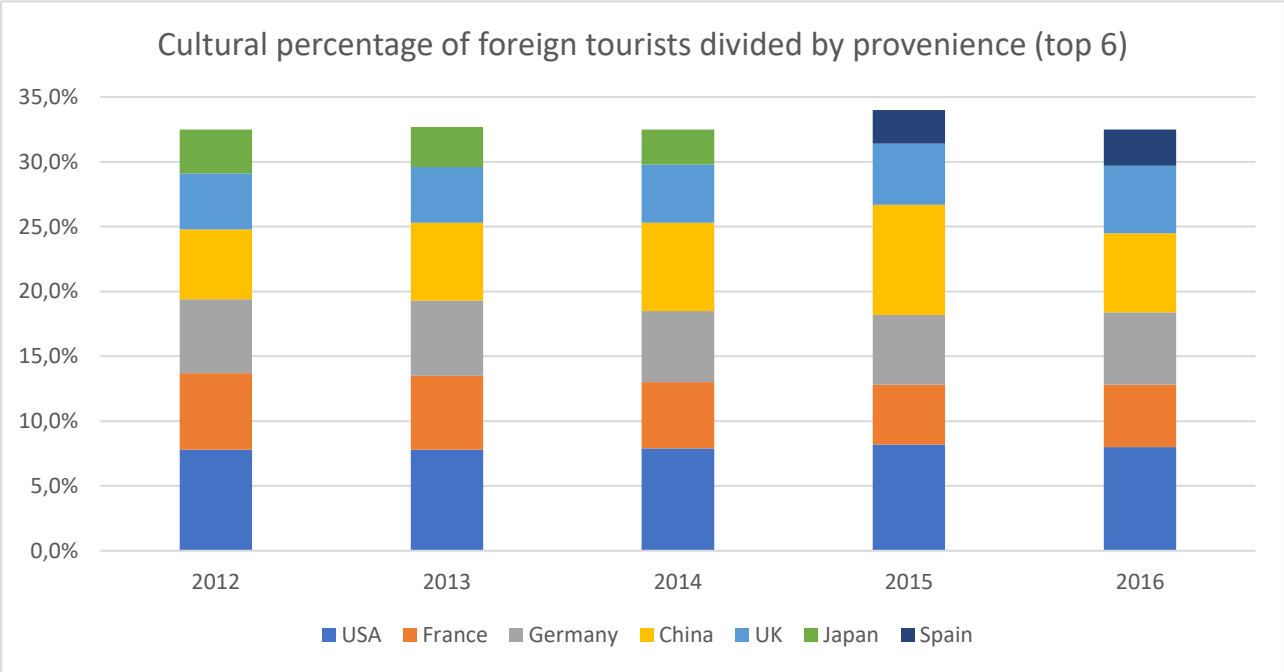
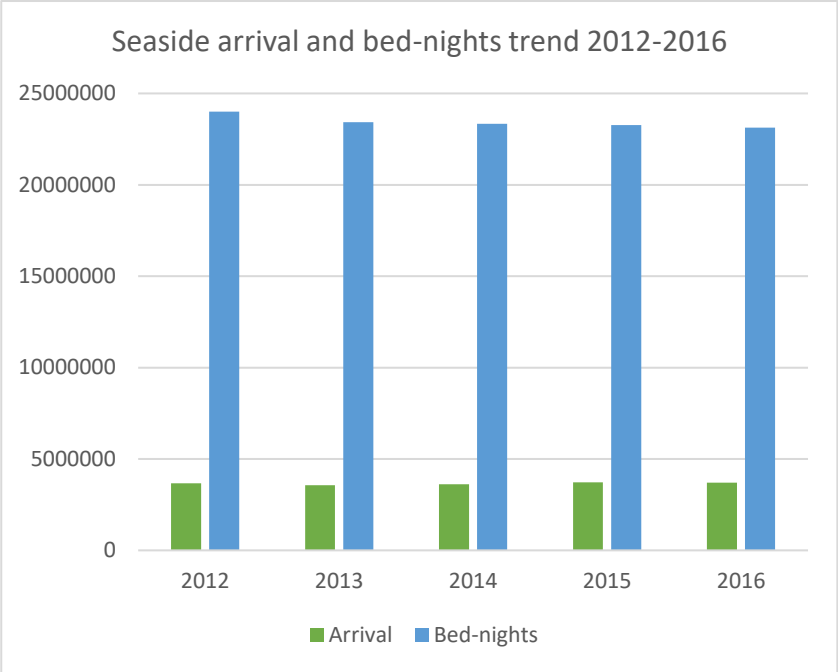
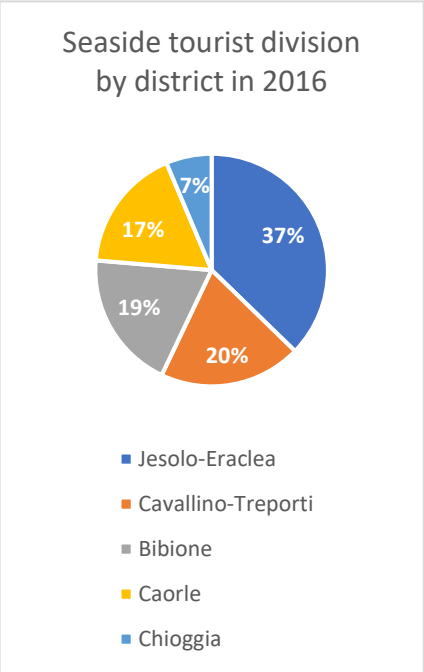
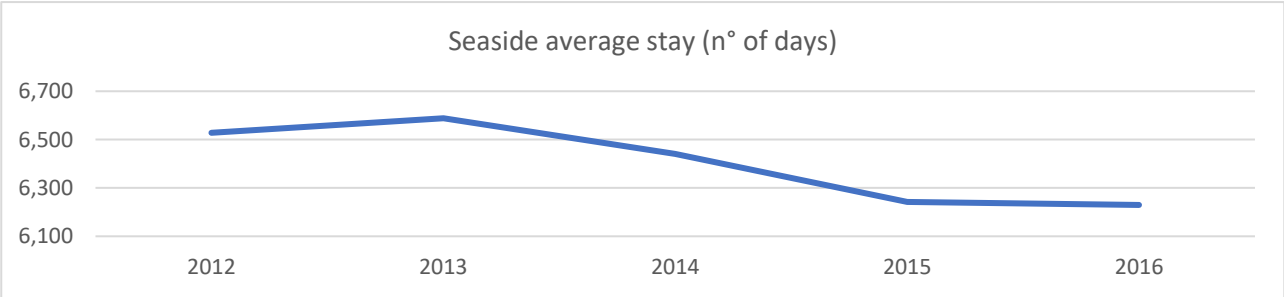


Figure 3.5 *Overview of the cultural branch. Elaboration of regional statistic data.*

Foreign tourism is very consistent for the cultural segment, with a constant average of foreign presence around 70% throughout the years. What's interesting to notice is the composition of the foreign part, as represented in Figure 3.5: the top 6 provenience account for the 32-34% of total tourism, with the first place contended between USA (that has increased constantly) and China (which increased until 2015, where we can see a peak of bed-nights of 8.5%, then went back around 6%). The presence of French, German and English visitors is important for the region, and we can see that it has been constant for the whole period considered. The last place of this rank has changed in the past two years, with the entrance of Spain and the exit of Japan. As for the analysis of the seaside branch, I followed the same procedure: I took into consideration the data of the five major districts located on the border between land and water of the region: Jesolo – Eraclea, Bibione, Cavallino – Treporti, Caorle and Chioggia. In the study of this branch, the district of Venice was not included despite the presence of the well-known beach of Lido di Venezia; unfortunately, in the data made available by the region regarding the affluence of tourists, the type of tourism of each single traveller is not specified, hence I did not consider the cross-holiday typology. I am aware that tourists that visit seaside destinations have the possibility to spend one or more days in a cultural reality and vice versa, but, for the sake of simplicity, I assumed that visitors tend to choose the accommodating structure which is as close as possible to his/her holiday preference. The same reasoning will hold also for the lake branch, given its proximity with the district of Verona. Figure 3.6 displays a focused glance into the previously mentioned seaside field. The results regarding this branch differ consistently from those of the cities: in fact, while the number of arrivals has remained almost unchanged during the years (around 3.6 million), we can observe a substantial decrease in the number of bed-nights (going roughly from 23.9 million in 2012 to 23.1 million in 2016). This trend is confirmed by the average length of stay that goes from 6.6 in 2013 to 6.2 in 2016; naturally, we cannot speak of a worrying drop, but since we can identify a path in the last 4 years, one should consider how holidays are getting shorter even for a branch that is known to have longer ones. The district of Jesolo – Eraclea is the most attractive one, with 37% percent of the tourism concentrated in the area, corresponding to roughly 1.4 million arrivals; Cavallino – Treporti accounts for the 20% of the total, which means more than 730.000 people preferring open-air accommodations (the area is well-known for the presence of more than 30 campsites);







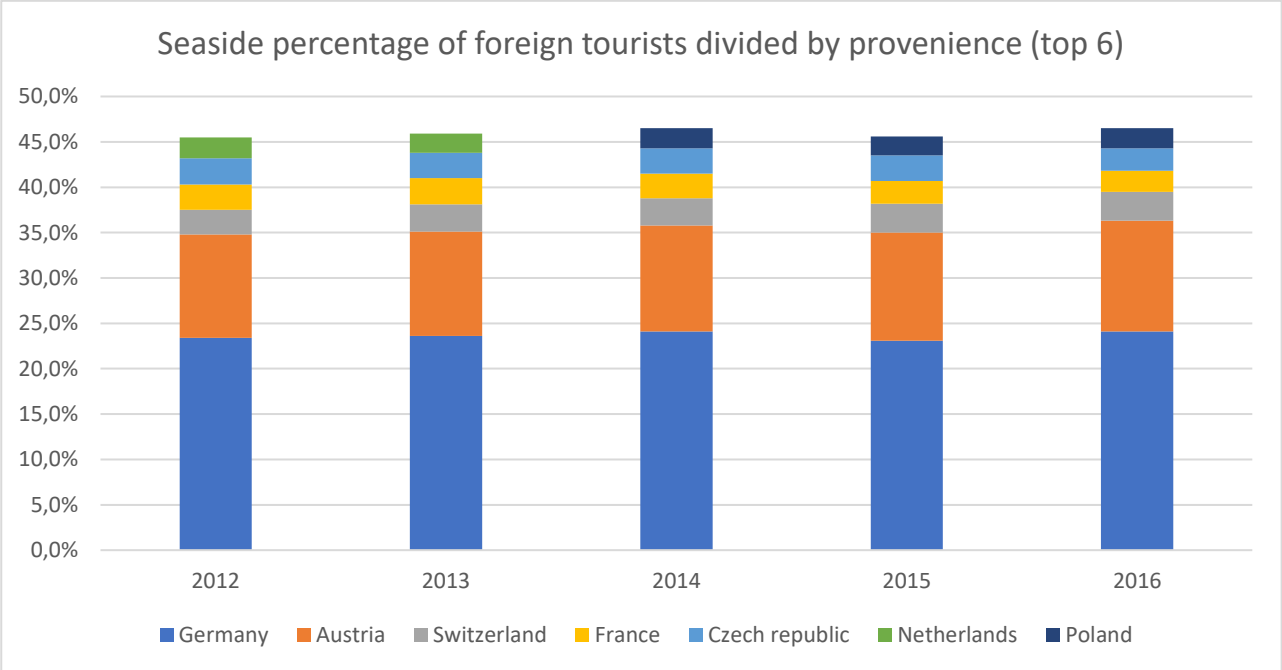
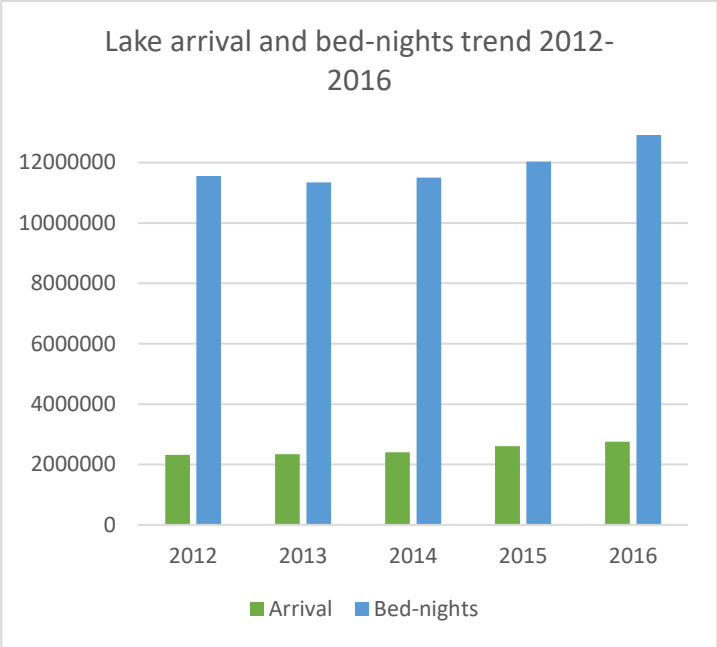


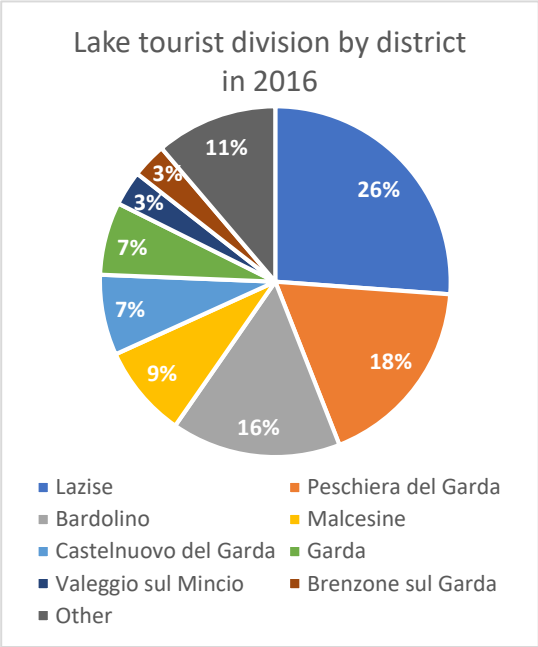
Figure 3.6 *Overview of the seaside branch. Elaboration of regional statistic data.*

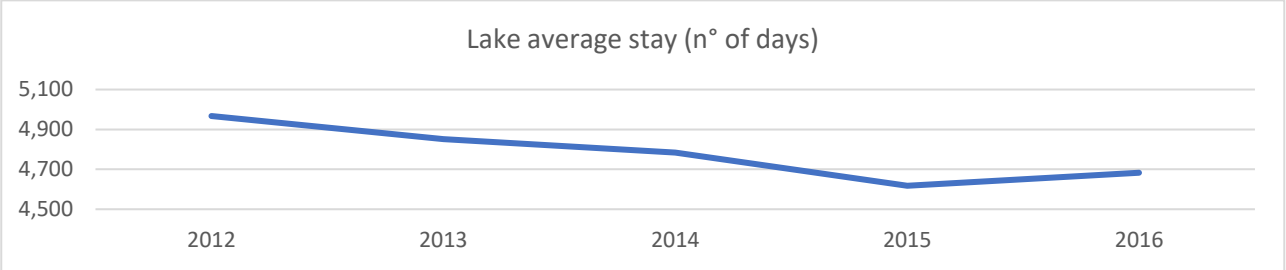
with 715,000 and 640,000 arrivals respectively, Bibione and Caorle follow in the list, while Chioggia closes the classification with 7%, which corresponds to 235,000 visits. On average, the 63% of arrivals and the 66% of bed-nights of seaside tourism is composed of foreign visitors. Analysing the country of origin, we can identify another interesting fact: there is a strong concentration of tourists coming from a specific area, i.e., on average, the 23.5% comes from Germany and 11.7% from Austria, resulting in a total of 35% of the total foreign visitors coming from German-speaking countries. The third place of the list is occupied by Switzerland, with an average of 3%; these three countries together resulted in almost 40% of arrivals in 2016. In the second half of this rank we can find France and the Czech Republic, both stable under 3%, while the last place is occupied by the Netherlands in the first two years and by Poland in the last three (around 2%).

In the last part of the analysis I focused on the lake branch, but the approach was a bit different. Since the Veneto lake coast is composed by several municipalities, I preferred to consider more than the usual five, and I obtained the data from the annual reports of the Verona province together with the usual statistic institute of the region. Results are summarized in Figure 3.7. For this segment the trend follows the general path, as we witnessed with the cultural branch; both arrivals and bed-nights have increased in the last five years, going from 2.3 million in 2012 to almost 2.8 in 2016 for the former and from 11.6 million to 12.9 for the latter. While we can observe a constant increase for the arrivals, bed-nights witnessed a drop in 2013. Also in this case, tourists are moving towards a shorter holiday, with a decreasing average stay from 4.9 to 4.6 days. As mentioned above, I considered in total eight districts to analyse the tourists' preference: most of them head to the south in choosing the place, with Lazise on top with 26% of the total bed-nights in 2016, i.e. 3.4 million. Peschiera del Garda follows with 18% (2.3 million), and then we can find Bardolino with 16%, i.e. 2 million. The other 40% is spread among the other districts of the coast, but none of them reaches more than 10% (Malcesine tops with 9%). In this branch, foreigners make up most of the visitors as well, and here is where they reach the highest percentages: with an average of 72% of arrivals and 83% of bed-nights, this is the area where we can find relatively more foreign visitors than anywhere else. As the seaside counterpart, the vast majority of them comes from north Europe, and precisely from Germany, which makes up the 39% of the total foreigners in 2016. The Netherlands follow, although in decreasing quantities both in relative and absolute terms throughout the years, going from 8.6% in 2012 to 6.6% in 2016. The top 6 list has never changed in the last four years, and in the

third place we can find Austria with a stable 5.5% from 2014; Great Britain, Switzerland and Denmark close the list with an average of 4.2%, 3.2% and 2.5% respectively.







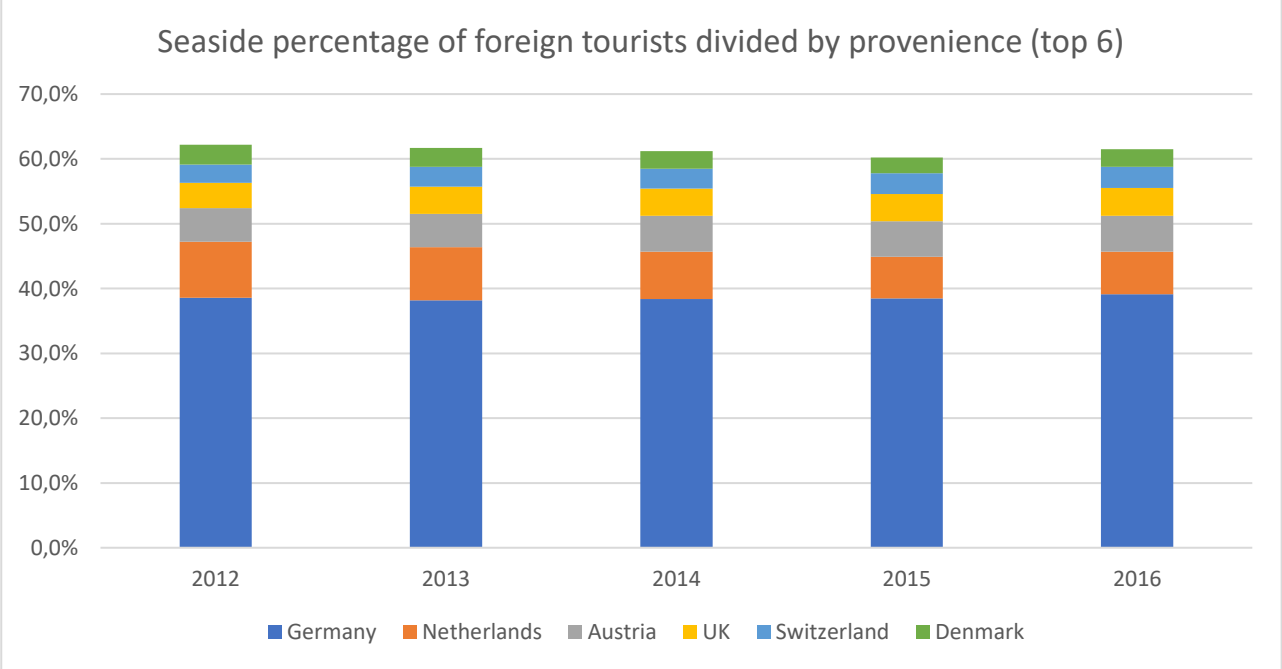


Figure 3.7 *Overview of the lake branch. Elaboration of regional statistic data and Chamber of Commerce annual report.*

From this analysis, we can understand how tourism represents a key element in the economy of the region, let alone the impact on the national context. The contribution of small municipalities deserves a separate mention given the data we have just seen, because contrary to what is generally perceived, they represent the real strength in term of attractiveness. Considering the whole Italian situation in fact, we can see that the municipalities in Veneto are the most popular ones: behind the four cities that are considered as the symbolic representation of Italian culture and history (i.e. Rome, Milan, Venice and Florence), we find Rimini as the first small municipality in terms of bed-nights (7.1 million), followed by four municipalities of Veneto, namely Cavallino-Treporti, Jesolo, San Michele al Tagliamento, and Caorle, which totalize almost 21 million bed-nights altogether. Numbers that appear even more impressive if associated with the resident population: e.g. Cavallino-Treporti and San Michele al Tagliamento witness a touristic pressure of 446 people for every inhabitant of the municipality, while Caorle hosts 367 tourists per citizen. The successful performance of the industry is partially explained by the targeting process witnessed by the region: both for the proximity and for the quality of the service offered, we have seen that the vast majority of touristic flow comes from north Europe, specifically by those countries which register the higher average expense per day, for example Germany (€87 per person per day), Denmark (€92), and Austria (€127), which position themselves much higher than Europe average of €68 (ISTAT, 2017).

Up to this point, it is clear that Veneto region is dealing with mass tourism. As mentioned in the previous chapter, although often associated with a negative perception and recognised as damaging, it is important to adopt long-term strategies and community-embedded choices in order not only to keep it economically profitable as we have already seen it is, but also socially and environmentally sustainable to keep it valuable even in the future. The next chapter examines the governmental policies adopted for tourism development, in order to identify the ones more aligned with the international and European guidelines.

CHAPTER 4: Situation analysis and adopted policies

The following part concerns the policies adopted at the institutional level, from the regional government to the local municipalities. All the information that is present in this chapter have been collected in interviews addressed to the Regional Tourism Board and to mayors or council members of local municipalities, together with the consultation of regional deliberations and documents for the strategic analysis of the territories. The purpose of this section is to define the principles on which the sustainable development for the seaside tourism industry is based, highlighting the processes and the intentions that the institutions want to commit, trying to represent that active part as indicated on the international and European policies. The first part will focus on the attitude and the measures adopted at the regional level as an interpretation of the European guidelines, while the second part will focus on the intrinsic analysis of the territory conducted at the local level with the aim of finding the points in common and to define the specific features of each area.

4.1 The regional environment

Considering the seaside context, there are two major issues that characterize the Veneto region: the relative long age of buildings and the lack of a collaborative system. Regarding the former, we must take into consideration that the first accommodating structures that were built on the coast date back to the sixties, in a national context where building regulation was pretty much absent. The first General Regulatory Plan was established in 1975 by the Italian legislation, i.e. 15 years after the beginning of the creation of a tourism destination. At the time of early edification there was little or no knowledge about the importance of the preservation of the environment. It then followed a period of uncontrolled development, which has certainly led the region to a dominant position in the tourism industry with an almost incomparable offer but resulted in the exploitation of a territory with potentially destructive effects. Clearly, operational and planning activities are more difficult to be applied in a context where the edification has already surpassed the limit. The result was a territory with a very diverse offer that goes from traditional accommodating structures (i.e. hotel and apartments which lack of successive requalification) to open-air facilities: some municipalities have developed on the former, some on the latter, some have opted for a mixture offer, but with the common denominator of a scarce diffusion of the environment culture, with different intensity and

feature for each town. Regarding the lack of collaboration, it mainly refers to the common mentality of narrow-minded vision, which is a common trait of Veneto region entrepreneurship and that limits the possibility of growth and development at the community level, focusing only on the personal properties. There are many measures adopted by the region in order to incentivise the cooperation among different players at the local level and, especially in recent times, the legislation is concentrated on the encouragement of the integrated management of the destinations. For many years there has been a separation of the functions between the public sector, which was in charge of the management of touristic information and reception, and the private sector, in charge of the activities for the promotion and commercialisation of the product; this division of the functions resulted in the lack of a unitary vision in the approach of tourism management. In 2011 we can register the beginning of a new attitude by the region with a different approach on the legislation, designed to put the different actors in contact with each other and pushing them toward a less individualistic behaviour. The decision was not to impose an organisational model conceived at the regional level, as it used to be with the presentation of a unique model for consortiums or for the Touristic Promotion Agencies, but to encourage the bottom-up realization of territorial management organisations, the so-called Destination Management Organizations (DMO). This approach was based on the belief that each reality must find the ideal formula through which the administration of a destination can better work without following specific and standard methods that could make the actualization difficult because of the many variances existing not only among different tourism categories but also among realities within the same environment. The key element is the periodic realisation of a Destination Management Plan (DMP), through which a mindful analysis of the territory is run by each DMO in order to identify the points of strength and weakness, as it would happen for a normal business. Generally speaking, the municipalities have followed the regional dispositions and have adopted the requested measures, but many of them have perceived the process as an enforcement and have not fully understood the potentiality of the DMOs. The seaside municipalities, however, have demonstrated a different and higher maturity on the topic, given also the fundamental importance that the tourism has on the local economies (being often the only source of revenues). Moreover, for the diffusion of such practice, the decision of the European institutions has played an important role as well; initially, Europe did not want to involve the region because of the high degree of development reached in many different divisions with a consistent flow of travellers. The region, as intermediary, intervened with actions of moral suasion, motivating the need for the help by Europe because of the delay

in the innovation and differentiation of the product due to the privileges acquired from holding a dominant position: regarding seaside municipalities in fact they are still in need for incentives and support activities, mainly because of the maturity, and with the aim of modifying their organisational, management and product positioning models. Consequently, Europe decided to grant the access to the funds, provided that the destinations where the enterprises that are demanding the financing are located must be organised under the DMO formula and must provide a DMP. This provision has the purpose of generating a new impulse for the development with origin in the single companies, but with a diffused knowledge that the tourism exists because of the presence of a territory before the development of a system of linked enterprises. One criticism about the Veneto region situation is the creation of many DMOs limited to only one municipality (e.g., San Michele al Tagliamento); the region, however, believes that this is not a negative trait, because it gives the possibility to create a multi-level organization system starting from the local with the objective in the future to constitute bigger organization projects, either within the region (like the Veneto Coast Contract, a territorial pact that aims to plan a common strategy for the integrated management and the enhancement of the existing resources, with particular focus on water) or on the outside, with other regions (like the project "Alto Adriatico" for the union of Veneto and Friuli seaside coasts under the same brand) or even with other nations, with the future idea of creating a large reality able to be known by international tourists whose knowledge about the whole area is insufficient.
At the regional level, as disposed by the Regional Law n. 11/2013 and successively integrated by the Regional Law n. 45/2011, the tourism industry, with particular attention to its development and sustainability, is constantly monitored and revisited according to the Annual Touristic Plan, which represents a reference and a guideline for the region in the establishment and in the monitoring of public funds concession. The Plan has six main objectives:

- To establish the regional interventions for the increase of the knowledge of touristic demand and offer;
- To identify the actions for the promotion, the valorisation and the qualification of the touristic resources;
- To launch the initiatives for the development of the touristic products and of the range of touristic destinations' offer;
- To allocate the available financial resources for the implementation of the plan and the criteria of such allocation;
- To monitor the performed activities, evaluating their efficiency;

- To check the employment trend of the industry.

While for the most of the activities the region registers a positive contribution for the sustainable development, the last point has been identified as a source of criticism, especially concerning the seaside tourism: first of all, there is a lack of database about the employment, hence there is not a clear overview of the actual impact of tourism in the workforce; secondly, the industry witness an elevated seasonality, implying that most of the competence is directed elsewhere, where the jobs are guaranteed for the whole year and there is a lower rate of fixed-term employment. There is a reduced protection of labour rights, with little control on the territory, which leads to no weekly rest, exceeding daily working hours and obviously lack of contract (undeclared work). Therefore, also the security of the working place is reduced, not much regarding the facilities but regarding the personnel's knowledge of dealing with emergency situations: given the high turnover, the entrepreneur often does not organise periodic updating courses about security, resulting in a non-professional and underprepared workforce. Unfortunately, given the precariousness, workers find it difficult to claim their rights through Trade Union associations, which in turn has little power to assist them. The difficulties are reflected also by the side of the employers because they struggle to find competent people, who are clearly not encouraged to accept such conditions. Consequently, the social environment that exists does not appear to be sustainable in the long term, with a progressive loss of value if some corrective measures are not applied.

In 2016 the region decided to intervene more actively in the development of the DMOs by methodologically indicating the best procedures to adopt. Through subsequent resolutions, the municipalities were addressed toward ideal approaches and encouraged to be committed to certain benchmarks, in order to provide a more thorough management. Moreover, DMOs were advised to evaluate the possible mentorship of a professional to be guided in the evolutive process. Although some destinations have interpreted the advice as an obligation, some others are actually following the instruction with positive results: e.g., Caorle administration is currently flanked by an expert of touristic destination management, together with a group of young graduated students. The municipality is not new in the practice of mentorship, as it was a decision already taken in the past. On the other hand, Bibione (and the municipality of San Michele al Tagliamento) has followed the advice as well but is giving very little space and importance to the contribution of the professional. Conversely, Cavallino-Treporti decided not to contact any expert, assigning the managerial duty to the local consortium. For the coastal municipalities, a positive feature is that the enterprise's consortium exerts the role of the

actuator of promotion and hospitality management policies, i.e. the management of welcoming offices and of promotion and commercialization strategies. In this way, there is a shift in the interest of the institution, in the sense that it starts to project in the interests not only of its members but also of the whole destination.

As an additional tool, the region is giving the accessibility to a Destination Management System (DMS), called Deskline 3.0. Active since May 2016, it is used in all the touristic offices as a standard for the management of the events; every municipality can insert its initiatives in the system, which can then be organised and proposed to the public. The DMS gives the possibility to integrate the events in other websites or alternatively to create a Tourism Online Service Concentrator (TOSC), that is a mini-website that can be embedded in an already existing normal website or can be used in webservice, modifying the desired landing page; moreover, it provides a communication channel among touristic offices and is used as a support for the front and back office operations in order to respond to tourists' requests following a standard guideline, but still personalising the answers according to the different desires. As an additional functionality, it can be used for booking and dynamic packaging purposes, but this is not mandatory. So, it provides a standardisation of the information and a free opportunity for the destinations, but still, some towns decided not to adopt it because they were already using equivalent tools, even if they cannot be compared in terms of functionality. Eventually, it can also be used as a marketplace, with the intention to help the businesses in the management of the offer, without the illusion of competing with external On-Line Travel Agencies (OLTAs) such as Booking.com or Expedia. The presence of the OLTAs, however, arises a big issue concerning the industry: it has been estimated that half of Veneto region tourism revenues is produced online, and if we consider that almost 20% must be payed to external agencies it turns out the about €1.2 billion cannot be reinvested in the community, and we are considering only the accommodation facilities; if we consider that the service is about to be extended also to day trips, guided visits and experiences in general as it is happening in Rome or Florence, the percentage is likely to increase in the next future. There is a thin line on which the destination is supposed to stay to exploit the benefits provided by the OLTAs without being overwhelmed; it is important to be prepared and organised before a change disrupts the reality, as it is already done in other places of Europe. Hence, through the dialogue and the cooperation, the destination is supposed to be organised so that the offer will not be sold off and the marginality does not get caught by some external entities instead of remaining in the place of origin.

As of today, the Tourism Board believes that the activities are still insufficient. The sharing economy is moving fast, and the region is not able to keep the pace, with the will to innovate limited only to some individuals. The main reason is identified as the hostile mentality to share the knowledge, and the difficulty to overtake the idea of division of the roles; despite being a well-defined fundamental principle of tourism, the concept of integration finds a lot of resistance in being accepted and adopted. On the topic of innovation, the region has moved along three different kinds of provision:

- The first is the Regional Operative Programme, which embodies all the principles that have led to the creation of the European Regional Development Fund, one of the structural funds oriented to the financial support of internal development within the European Union in the period 2014 – 2020, with the fundamental aim of reaching the economic and social cohesion among the regions of the member nations, that is a harmonic progress for the entire community. According to the current results, half of the suitable initiatives actually fit the purpose for which the fund was created, in the name of innovation and attempting to create new forms of tourism; the others are updating initiatives with the purpose of revisiting already existing ideas and situations. However, who writes believes that the management of said opportunity given by the European Union is not being managed thoroughly, especially if we consider the amount of the financing that has been granted until this moment: of the about €600 million made available by the EU, only €164 million were granted in four years, and given what has just been said, we cannot hope for a good evaluation of the quality of expenditure. The risk can be that in two years, when the current fund ends its period, the amount made available with the future programme may consistently decrease with a consequent heavy penalisation of the destination's development;
- The second consists in the creation of a network of enterprises for the organisation of a product club, i.e. aggregations of firms that aim to address their offer to specific targets with an innovating and differentiating approach. The region has begun to invest with a first incentive which has helped with the formation of 11 business networks, some of them with excellent results: for example, the biking superclub, which unifies the four clubs along the Veneto coast specialised in their own trip typology and environment. A lot of diverse firms have been pushed to work together for the creation of a new form of tourism completely based on bicycle journeys, with the support of the institutions

throughout Europe for the creation of new cycleways and the connection to the European network.

- The third is called "Submisura C" and focuses on the complete innovation of the accommodating structures; a specific incentive not for the renovation but for a radical change of the enterprise to seek for the repositioning within the touristic destination with the intent of contributing to the improvement of the offer in order to increase the quality of the whole territory. As usual, the initiative has been partially well interpreted, but there is still a lot of margin of improvement.

Paradoxically, the innovation is negatively affected by the positive results that the tourism industry obtains each year. For every successful season, the entrepreneur is in fact not encouraged to change, because there is not an economic need to adopt new technology although there is a relevant availability. Surely, the region cannot enforce the implementation of innovating elements, and persists with the policy of low intervention by not explicitly indicating what should be done but demonstrating good practices and benchmarks and providing tools that may be useful and helpful. Sometimes, the tourism board works on the field by flanking and supporting the activities of the DMOs, especially in the realities where the action is missing or inadequate, and always in the attempt to create a dialogue among the different parts. It is common to encounter the tendency to reject this mentality and return to the past organisation and practices of directly assigning the funds to the consortiums for the promotion and commercialisation of the tourism product. By doing so, however, the municipality would be cut off in its role of intermediary and aggregation entity, with the possibility to guide and direct the actions on the long-term following the same objectives, concentrating the efforts to reach a common result. In the example of the bike club, it would not have been possible without the coordinating structure between private and public sectors, because a consortium would have found extremely difficult to develop a bike-friendly destination without the support of the municipalities in creating the infrastructures.

The potential threat of competition coming from the other coast of the Adriatic Sea is perceived as such neither by the municipalities nor by the region. The formers believe that the positioning is completely different because Croatia is commonly known as a low-cost destination, with an offer that cannot be compared with the Veneto one in terms of quality of the service or variety of the territory. This is partially true because Croatian facilities have been suffering from poor regulation and government support, which has led to an unorganised management of the whole tourism industry. The fact is, however, that the quality of the service is constantly increasing,

thank also to the private foreign investments that are characterizing the country and which contribute to improving the destinations, which threaten to become a direct competitor of the Italian counterparts, given that their target is almost coinciding. It is worth to mention that most of the activities are not coordinated with the each other, and for the moment the policies are concentrated to the promotional purpose. According to the Tourism Board, the ideal strategy would be to cooperate also at the trans-border level, expanding the already existing policies with a higher range of players involved and with the final aim to create a homogeneous and united environment. As it happens for the innovation, it is difficult to identify an opportunity or a threat when the situation is positive and successful, and anyway, there are other realities that are perceived as a potential competitor but for different industries, as it is the case of Austria for the development of bike tourism.

To conclude, we can say that there exists a conflict of interests between politics and industry, with the perception (sometimes valid) of a practice that gives too much power to the municipality by constituting the DMOs, which often result to protests addressed to the region that in turn is tempted to give up and go back to the old system; in order to maintain the policies, some instruments like the Annual Touristic Plan or the Regional Tourism Strategic Plan (directly deriving from the National Tourism Strategic Plan, for which Veneto has given an important contribution in terms of both participative processes and material creation; it will be implemented in the next future) turn out to be very useful in the medium-long term to involve the different category associations and the DMOs for the creation and monitoring of initiatives and practices.

4.2 SWOT analysis of the municipalities

About the municipalities, there has been a compliance of the region indications on the whole territory, and in the years a total of 16 DMOs were created. Among these, 5 are related to the seaside territories, most of them regarding only one municipality: Bibione and San Michele al Tagliamento, Caorle and Concordia Sagittaria, Cavallino-Treporti, Chioggia, and Jesolo and Eraclea. After the consultation of the various DMPs, we can state that the main objectives for which these policies were adopted reflect the intentions of the Tourism Board and of the European guidelines, that is to create a synergy among the whole community, from the single individual to the public institutions, in order to enhance the value of the destination for the sake of locals and visitors, and for present and future generations through a unitary destination governance and strategic planning. Regarding the points in common, we can see that the

destinations are united in believing on the same principles and in having the same objectives, which are:

- Coordinate operating, respecting the very essence of DMO, in respect of the principle that the development of the touristic economy can happen only if the intentions on the planning and the participation are aligned among all the subjects involved, both in the projecting and in the executive phase. A coordinated activity implies a moral responsibility from all the members of the DMOs for the sake of the community in the perspective of a participating and shared path;
- Expanding the foreign reference markets. Although the primary foreign market is the German-speaking one, also considering the potential linked to the proximity to Venice and the airport hubs with which it is easily interconnected, it is necessary to expand the foreign markets with which to operate, without the intent to reduce the market share of the German/Austrian market, but to increase the other shares;
- Spreading the benefits beyond seasonal centrality. In this case, it is a matter of increasing the share of the tourist flow outside the central period of the ordinary season. To achieve this result, on the one hand, it is necessary to introduce new opportunities that are untied from the only weather condition and, on the other, to widen the range of options that can be integrated with the seaside offer;
- Increasing the big-spending customers. This strategic objective, in line with the desire to broaden the differentiation of the markets, to widen the thematic offers and to increase upscale proposals, regards the support of policies aimed at increasing the share of customers, but going as far as possible towards the category with greater spending capacity;
- Improving the overall image. This is a goal that all the subjects of the DMO territory must pursue because keeping an attractive profile and image will also guarantee the maintenance of the profitability of the companies, so that the perceived value does not decline. At the same time, the qualitative level must be maintained high, so that the overall value of the destination is maintained relevant;
- Performing integrated actions in the reference markets. Even on the basis of previous objectives - carefully considering the more easily accessible markets and using the existing links - it is necessary to plan promotional and commercial actions that are not one-shot but have the ability to be integrated among them, acting on various areas such

as system of commercial intermediation, non-profit, communication, media relations, and the like;

- Expanding activism and participation. If the real intention is to make sure that the tourism sector is considered for the value it really generates, a stronger public/private consultation is needed, together with a more stringent relationship with the territory (operators but also residents, even with moments of "popular consultation"). The DMO must be the facilitator tool for active participation in the projects, because only with a high level of sharing the tourism development is supported;
- Common vision. Communicating in a unitary manner is an essential factor for every tourism destination; it is necessary to ensure that the image and the language offered by this territory follow a common line that must be shared by all the members of the DMO and to the tour operators as well.

Together with the main shared objectives, the destinations have found three ongoing trends that must be considered in the development of a strategy, which are:

- Postmodern re-rooting: from the modern era (individualism) we have moved on to the post-modern era that is characterized by a regression against progress or by a tendential return to the values of the community bond. The global connection is creating a strong personal disconnection, with the effect that the people who want to perceive a real linking, not only virtual, try to find themselves in tribes: product loyalty becomes emotional and not cognitive. The product that is neither a good nor a service, but a complex and engaging experience, does not create loyalty between company and consumer but between the consumer and the other people who live the same experience. The guests themselves become supporters of the products they consume, and they feel united in a community tied by shared values, rules and interests. Within the tribe, it is possible to identify subjects that have heterogeneous socio-demographic characteristics and behaviours, but are joined by deep passions, interests and shared experiences. For the tourist, having the territory told by a resident, although very passionate and by using modern communication means, is not the same thing. The personalization and the differentiation of the tourist offer will have to prevail over standardization and massification forms that are typical of destinations that are in the life cycle of maturity and, therefore, at risk of decline.
- Geolocalization: thanks to new technologies, everyone can connect with the whole world from their location. The one who is closest to you in terms of common feelings and

interests can reside very far away. In the modern world, where every local can communicate and connect with every other reality, the relationship system changes radically and there is the opportunity to involve in the network even very distant subjects both as customers and as strategic partners. In the perspective of development, the destination must not be closed in its territory but has to export its values in order to be competitive also at the global level, and there is no better way than the loyal guest who promotes the destination to his or her acquaintances, in the local dimension, and with his virtual contacts, in the social networks global dimension. The geography of the world is redesigned from the experiences that each one shares. Therefore, the implementation of ICT tools and the development of modern web marketing policies cover a strategic role of primary importance.

- Aging population: the destination offer will have to take into account, in a medium and long-term perspective, also the progressive aging of the population in the sense that it will have to invest in accessible tourism, trying to verify what are the best practices and the complementary services of assistance, education and recreation provided by the facilities that host elderly and disabled people who are currently some of the most developed in Italy.

Taking into consideration the common objectives and the trends that may affect the industry in the long term, it is useful to conduct a SWOT analysis of the territories in order to describe the features of the area in its totality, focusing once again on the common traits that can generally be found in most of the municipalities.

<u>Strengths</u>:

- High business knowledge and capability, with a real awareness of the market needs. Veneto entrepreneurship is one of the characterizing features that explains the successful results of the industry and that have led to a dominant position in the Italian and European context through the development of top facilities and accurate customer service, promoting the quality of the destinations and limiting the dumping commercial policies;
- High variety of tourism categories and landscapes. Although the most of tourism is concentrated on the sea, which alone constitutes an attractive environment certified by multiple external entities and that propose many different points of interest, like the numerous lighthouses, and experiences, like boat renting and fishing , the nearby land offers a big range of equally good-looking locations, starting from the lagoon or the

rivers, rich in natural heritage, to the historic centres and cultural clusters, where it is possible to relive the past and the traditions of the territory, not to mention the positive attractive effect generated by the city of Venice. Furthermore, the locations offer a big variety of facilities as well, from the traditional hotels to open-air campsites, from less demanding apartments and bed and breakfasts to the alternative of agritourism;

- Attention to the territory connection, with a constant improvement of the infrastructures, in particular regarding cycleways, which have been developed and linked throughout the whole coast, but also a public transport system that connects the municipalities with each other, with the main cities of the area and, consequently, with the most important hubs (train stations, airports, and the like);
- Richness of local events and customs, connected with the concept of traditions and innovation. The local markets and fairs constitute an element of interests for those tourists that want to live the place where they are, and contemporaneously the organisation of popular events such as concerts or exhibits provide an additional element of differentiation.

Weaknesses:

- High saturation of the destination, with a heavy disequilibrium in the summer season. As we have previously mentioned in the statistical analysis, the number of arrivals has remained constant in the last five years, while the bed-nights have decreased, meaning that as things remain unchanged there is little opportunity to increase the touristic flow;
- Despite the efforts of the region, many enterprises are still isolated and are not included in the aggregated coordination and planning of actions. As a matter of fact, it is observed that the activities outside the tourism industry (e.g. agriculture, commerce, handcraft, and the like) are heavily underdeveloped, representing a cost for the community. One of the causes is the connection to the difficulty to create a network of firms actively communicating with each other and committed to the creation of a group;
- Although in a phase of development, the public transport is not implementing innovative measures, meaning that the fleet of transportation means relies on old and polluting machines, and there is not any future programme based on the modernisation to green or electric mobility. The same road network should be reviewed to solve the well-known problem of traffic jams during weekends or critical periods;

- Maximum carrying capacity reached. Given the economic boom that has witnessed the area, and the consequent inconsiderate construction policies, it is no more possible to count on the building expansion to increase the number of visits and bed-nights. It is necessary to think about alternative ways of development, given also that the rate inhabitant/tourist has reached unsustainable levels and that the social impact is already negative.
- Lack of modernisation for the facilities. While some are implementing innovative measures and technologies, the vast majority is composed of outdated buildings and services due also to an excessive bureaucratisation, with the consequent result of a reduction of the quality perceived;
- Lack of a typical product. Contrarily to what happens in other Italian destinations which are often combined with gastronomic or handicraft excellences, the small towns in Veneto are not tied to local production, and exports are concentrated on generic Italian goods (wine, pasta, etc.) or traditional souvenirs;
- Scarce care of the aggregate image. While in general we can register an attempt of revaluating the central or more congested areas, many locations in the outskirts are ignored, and in some cases are left in a decadent condition, ruining the environment and disturbing the sights. In some cases, these buildings represented a relevant cost for the community to be built and are still constituting a loss in terms of aggregate quality;
- Fragmentation of marketing and communication activities. Even within the same DMOs, the subjects tend to apply marketing policies with the aim of self-promotion, with little or no interest in the promotion of the territory. Moreover, DMOs are still struggling to coordinate the efforts towards a coherent image of the destination, with the result of confusion in the mind of actual and potential consumers.

<u>Opportunities</u>:

- The continuous growth of the international tourism, with positive forecasts in the next 10 years. Given that the tourism movement is expected to increase, it is relevant to move the targeting from the actual market (concentrated on Germany, Austria and Switzerland) and try to become attractive also for different countries such as Netherlands and Denmark, as it used to be in the past, or Poland and the East Europe, given the rate of growth characterizing these countries. On the long-run, and once the policies of collaboration have started to work for the destinations, the Veneto region

seaside might become attractive also for international flows, like from China or USA, that are the countries with the higher expectancies of increase of outbound tourism;

- The access to regional and European funds, such as the POR FESR, as a fundamental tool for the mindful development of the territories, the enhancement of the technology and the innovation, and planning of a sustainable allocation of resources for the improvement of the quality of life. Together with the funds, also the projects of collaboration represent a pertinent opportunity, as for the trans-border initiatives with Croatia and Slovenia or the project "Alto Adriatico", made in collaboration with Friuli;
- Growing demand for alternative tourism, for example, the green tourism, bike tourism or slow tourism. The features of the territory would encourage the development of facilities able to satisfy this newborn trend, considering that the category of alternative tourism is usually associated with a qualified request, meaning that it has the potential to attract travellers with higher expense availability;
- Higher importance of the tourism industry also in the political sphere, which may lead to a superior consideration in the future also in terms of national investments, which in turn would result in more resources made available for the destinations;
- Possibility to exploit the internet related technologies and tools towards a higher control of the commercialization and positioning process, with a direct communication to the actual and potential customers, with the purpose of increasing the awareness and the retention.

<u>Threats</u>:

- Overuse of OLTAs, with the consequent devaluation of the offer. Some businesses are already focusing too much on the usage of external travel agencies to promote their offer, which may be perceived as positive in the short run because of a higher occupancy of a hotel or campsite, but at the end reduces the actual incomes and attracts tourists outside the main target. At the same time, it is important to not add an intermediary in the customer relationship, given that one of the strength is exactly on the establishment of a personal connection with the client.
- The competitiveness of other destination within and outside the national territory. Although still far from the hospitality quality levels of Veneto region realities, some destinations of the Adriatic Sea are increasing their attractiveness, sometimes equalling the type of offer. One of the examples may be the already mentioned Croatia, but other

regions such as Puglia or Marche are recovering the distance with focused investments and long-lasting policies.

- Lack of motivation, or better yet, the belief that said collaborative policies are useless and counterproductive. The risk is that many members of the DMOs (both public executives and private entrepreneurs) would interpret the norms as an obligation and would apply the required measures only as a façade, without pursuing the actual scope. The knowledge and the involvement about the topic are still low, with the danger that it would never be spread enough to make the policies work.

CONCLUSION

The success of a destination is determined by two types of advantages: one based on the availability of resources, and the other deriving from the ability of the destination to manage the available resources in an efficient way. The quantity of assets is not always determinant for the purposes of competitiveness: if managed at best, a limited number of elements of attraction can still contribute to the success of a destination with greater probability than one characterized by a wide range of resources but organized in an unproductive way. This can happen thanks to a common vision shared by all the stakeholders of a destination, the ability to understand their strengths and weaknesses, the definition of a unique marketing strategy, as well as an efficient implementation of the latter, which allow the resources to be enhanced; on the contrary, if mishandled, they risk compromising the competitiveness of a destination despite a considerable amount of heritage. It is, therefore, necessary to implement a tourism development policy aimed at managing and planning the activities in respect of the load capacity, i.e. the maximum number of tourists that a destination can host; beyond this limit, the impact of tourism on the destination can result in social, environmental and economic damages. For each destination it is therefore possible to identify an ecological load capacity, that is the maximum threshold of visitors beyond which the environmental or cultural resources are damaged, and a social load capacity, that represents the limit beyond which conflicts can occur among the local population and tourists, as well as other functions of the area such as the other industries. In this case, the touristic activity tends to replace all the other competing activities, reaching forms of excessive specialization or even a situation of tourism monopoly. The touristic activity involves, therefore, a series of effects on the economic, social and environmental system of a destination: if on the one hand tourism can be an incentive to the preservation and enhancement of historical, cultural and natural resources, contributing to improve the quality of life of the local population and fulfilling important social functions like the creation of income and workplaces, on the other hand it can lead to phenomena that are anything but positive for the territory and the population such as traffic, pollution and in extreme cases even the destruction of environmental systems. The tourist product is by its nature extremely complex. The spatial and territorial components of a product of this type play an important role, much more than other traditional goods, given that the touristic offer of a place cannot be enjoyed elsewhere but exactly in the place of "production". The destination of the journey, or that specific territory that encompasses an intricate set of attractions, products,

services, experiences and expectations that respond to a precise idea of vacation, is therefore one of the most important factors, if not the main, on which the tourist bases its choice: the environment, natural or artificial, is the fundamental component of the entire tourism product; however, as soon as the tourist activity is situated into a particular territorial context, this is modified in various aspects, both natural, social or cultural. This complexity, and the modifications that eventually occur to the territory, are too much to be handled by a single individual or by a reduced group of stakeholders; what appears to be the most efficient solution is to create a consistent network that gathers all the parts involved in the enhancement of the destination for the establishment of long-term policies that are able to sustain the development from the environmental, social and economic point of view, aiming at the quality of the offered experience in order to obtain and maintain a competitive advantage.

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