Benchmarking Utilization in Regional Planning of Tourism Development

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Research Projects

• IGA 06/2010 “Draft of a system for evaluation of the regional programme documents in tourism“
  – Draft new complex procedure which enables local governments to evaluate quality of their tourism development strategies

• IGA 05/2011 “Evaluation of the tourism regional planning results“
  – Integrate new evaluation criteria into pre-defined evaluation procedure
  – Apply evaluation procedure in practice
Tourism Destination Competitiveness

• Existing and potential visitation to any destination is linked to destination’s overall competitiveness

• Indicators of destination competitiveness
  – Situational Conditions – such as competitive environment, safety, global environment
  – Endowed Resources – such as nature, culture
  – Created Resources – such as tourism infrastructure, shopping, entertainment
  – Supporting Factors – such as quality of service, hospitality
  – Destination Management – DM organization, destination policy and planning, HR development
Benchmarking in Tourism

- Benchmarking in tourism can be classified into these spheres
  
  - **Benchmarking of non-profit oriented tourism organizations**
    - National or regional tourist boards/organizations
    - Attractions operated by public authorities or other forms of non-profit oriented businesses (e.g. museums, galleries, theatres, operas, etc.)

  - **Benchmarking of profit-oriented tourism businesses**
    - Accommodation suppliers
    - Restaurants
    - Tour operators and travel agencies
    - Other profit-oriented tourism service providers

  - **Destination Benchmarking**
    - National benchmarking
    - Regional benchmarking
    - Local (rural or urban) benchmarking
Benchmarking as a Evaluation Technique of Tourism Strategies

- Benchmarking method can be ranked among comparative evaluation technique

- Benchmarking is considered as an important tool for enhancing the quality by learning process
- It has the ability to support an achievement of sustainable competitive advantage

- Benchmarking can be described as a structured process by which an organization seeks to identify and replicate “best practices” to enhance its strategic position
Research Method

• There is one important problem in the sphere of regional planning – stipulation of **objective criteria** for making an evaluation. These criteria should be derived from general requirements on a quality of evaluated subjects.

• The evaluation process can be described as a comparison of the evaluated subject’s state with pre-defined criteria which create so-called comparison level.

• The basis for tourism development strategies evaluation is comprised by three general requirements (so-called quality spheres)
  – the requirement of strategy **suitability** with a regard to the strategic position of the region
  – the requirement of strategy **acceptability** for key stakeholders
  – the requirement of strategy **feasibility**
Research Method: Step 1 and 2

• Elaboration of the quality spheres into the partial requirements
  – The initial set was made with the help of an extensive literature review
  – This set was verified and reviewed by the key regional actors with the help of the Likert scale

• Transfer of the requirements into the measurable criteria
  – The method of Quality Function Deployment was used as a transfer principle
  – The importance of concrete criterion was derived from point evaluation of the requirement importance (0 – 5 points) and from point evaluation of the intensity of the link between the requirement and derived criterion (0 – 1 point)
  – The importance of the criterion is given by this formula

<table>
<thead>
<tr>
<th>Point Value</th>
<th>Importance of the requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>0,00</td>
<td>Zero importance – the requirement is not relevant</td>
</tr>
<tr>
<td>1,00</td>
<td>Slight importance – the requirement has insignificant importance</td>
</tr>
<tr>
<td>2,00</td>
<td>Little importance – the requirement has standard importance</td>
</tr>
<tr>
<td>3,00</td>
<td>Medium importance – the requirement has above standard importance</td>
</tr>
<tr>
<td>4,00</td>
<td>Great importance – the requirement has crucial importance</td>
</tr>
<tr>
<td>5,00</td>
<td>Key importance – the requirement has crucial importance</td>
</tr>
</tbody>
</table>

\[ IC_i = IR_{n} \times RIR_{C_i} \]

\( IC_i \) importance of i-criterion
\( IR_{n} \) importance of n-requirement
\( RIR_{C_i} \) relation intensity between n-requirement and i-criterion
Research Method: Step 3 and 4

• Evaluation procedure
  – Each criterion was assigned by the key characteristics which should be reached by this criterion
  – The evaluator made an assessment of the criterion fulfilment by tourism development strategies on the rating scale enabling to assess how intensively the criterion meet the key characteristics

• Evaluation method
  – Distributive phase – the partial evaluations from the individual evaluators are converted into a common table
  – Delegated phase – the evaluators may transfer their relative vote strength according to the individual assessment of own skills, knowledge or experience necessary for the evaluation
  – Synthetic phase – the partial evaluation is adjusted to the resulting relative vote strength of individual evaluators

<table>
<thead>
<tr>
<th>Value</th>
<th>Characteristics of the qualitative level</th>
</tr>
</thead>
<tbody>
<tr>
<td>0,00 - 0,10</td>
<td>Insufficient – the criterion does not occur in the document at all or achieves the key characteristics with a minimal intensity</td>
</tr>
<tr>
<td>0,11 - 0,40</td>
<td>Sufficient – the criterion achieves the key characteristics with a limited intensity</td>
</tr>
<tr>
<td>0,41 - 0,60</td>
<td>Good – the criterion achieves the key characteristics with a moderate intensity</td>
</tr>
<tr>
<td>0,61 - 0,90</td>
<td>Very good – the criterion achieves the key characteristics with a high intensity</td>
</tr>
<tr>
<td>0,91 - 1,00</td>
<td>Excellent – the criterion achieves the key characteristics with a maximum intensity</td>
</tr>
</tbody>
</table>

\[
REVS_n = \frac{100 + RP_n - SP_n}{100}
\]

- \(REVS_n\): relative strength of n-evaluator
- \(RP_n\): number of received points by n-evaluator
- \(SP_n\): number of points sent by n-evaluator
Research Method: Step 5

- The aim of the evaluation process is to select the best regional development strategies on the basis of objective and unified criteria.
  - The Kepner-Tregoe Decision Analysis was used as a suitable decision-making tool
- Selection of the strategies is done through the point value of the partial evaluation of individual criterion, its importance, with a respect to the relative vote strength of individual evaluators

\[ OPVC_i = IC_i \times \frac{\sum(PEC_i \times REVS_n)}{\sum E_n} \]

- The overall quality of tourism development strategies can be expressed as the sum of the resulting values of the individual criteria.
The Examples of Evaluative Criteria

• Strategy suitability (total 15)
  – Target groups are described in the document
  – Document takes into account the impact of selected global factors
  – Document deals with internal resources to achieve the desired future state
  – Document contains a clear synthesis of the results of external and internal analysis
  – Objectives correspond with the SMART parameters
  – Arrangements for achieving the vision are suggested in the document

• Strategy acceptability (total 14)
  – Arrangements support the quality evaluation systems
  – Arrangements support co-operation and co-ordination of tourism subjects
  – Arrangements support environmentally friendly behaviour
  – Arrangements support wellness and relaxation activities
  – Arrangements support on-line reservation systems

• Strategy feasibility (total 4)
  – Document identifies the necessary resources to implement the proposed activities
  – Document sets a timetable for implementation of proposed activities
  – Responsibility of individual entities for implementation of proposed activities is set
  – Document proposes a system of monitoring of implementation of proposed activities
Pilot Application

• The following strategies were randomly chosen as a test sample
  – North East England Tourism Strategy (Great Britain)
  – Tourism Development Strategy in the South Bohemian Region (Czech Republic)
  – Strategy of tourism development of the Bratislava region (Slovak republic)

• The evaluation process was made by four evaluators – members of the research team
Overall Results

• The evaluation based on three main requirements points out the Czech tourism development strategy as the best document.
• However, even it can take examples of good practices from other strategies – such as
  – compiling the SWOT analysis
  – supporting the modern communication tools
  – assuring the successful implementation of the strategy itself
Examples of the Best Practices

- **Strategy suitability**
  - Well-defined initial conditions, including linkages with other strategies at the state level (CZE)
  - Well-elaborated internal and external analysis (SVK)
  - Well-defined SMART parameters of the goals (CZE)

- **Strategy acceptability**
  - Excellent communication with the visitors (GBP)
  - Support of the on-line information and reservation systems (SVK)
  - Promotion of sustainable forms of tourism and active holidays (CZE)

- **Strategy feasibility**
  - Identification the necessary resources for strategy implementation (GBP)
  - Detail schedule for strategy realization (GBP)
Next Steps of the Research

- Implementation of the evaluation process to a user-friendly online application
- Utilization of this application for benchmarking process of the selected European tourism destinations
- Creation of the international benchmarking database of the best examples from tourism management

- Linking the results of our evaluation with the level of tourism destination competitiveness
  - How strong is the connection between planning quality and destination competitiveness?
  - Are there any typical “planning patterns“ of successful destinations?
Thank you for your attention and have a nice day!

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