



XXII. MEZINÁRODNÍ KOLOKVIUM O REGIONÁLNÍCH  
VĚDÁCH. SBORNÍK PŘÍSPĚVKŮ

22<sup>ND</sup> INTERNATIONAL COLLOQUIUM ON REGIONAL  
SCIENCES. CONFERENCE PROCEEDINGS

Place: Velké Bílovice (Czech Republic)  
June 12-16, 2019

Publisher: Masarykova univerzita (Masaryk University Press), Brno

**Edited by:**

Viktorie KLÍMOVÁ

Vladimír ŽÍTEK

(Masarykova univerzita / Masaryk University, Czech Republic)

**Vzor citace / Citation example:**

AUTOR, A. Název článku. In Klímová, V., Žítek, V. (eds.) *XXII. mezinárodní kolokvium o regionálních vědách. Sborník příspěvků*. Brno: Masarykova univerzita, 2019. s. 1–5. ISBN 978-80-210-9268-6. DOI.

AUTHOR, A. Title of paper. In Klímová, V., Žítek, V. (eds.) *22<sup>nd</sup> International Colloquium on Regional Sciences. Conference Proceedings*. Brno: Masaryk University Press, 2019. pp. 1–5. ISBN 978-80-210-9268-6. DOI.

*Publikace neprošla jazykovou úpravou. / Publication is not a subject of language check.*

*Za správnost obsahu a originalitu výzkumu zodpovídají autoři. / Authors are fully responsible for the content and originality of the articles.*

© 2019 Masarykova univerzita  
ISBN 978-80-210-9268-6 (online : pdf)

# STAKEHOLDERS INFLUENCE ON THE COMPETITIVENESS FACTORS OF TOURISM DESTINATION

## Vliv stakeholders na faktory konkurenceschopnosti turistické destinace

MARTIN LUŠTICKÝ

MARTIN MUSIL

*Katedra managementu* | *Department of Management*  
*Fakulta managementu* | *Faculty of Management*  
*Vysoká škola ekonomická v Praze* | *University of Economics, Prague*  
✉ Jarošovská 1117, 377 01 Jindřichův Hradec, Czech Republic  
E-mail: martin.lusticky@vse.cz, musil@vse.cz

### Annotation

The paper is focused on the issue of tourism destination competitiveness from the point of view of destination stakeholders. It focuses on the models of destination competitiveness and the factors of competitiveness. The paper presents the integrated model of competitiveness. The stakeholders' role in this model concerns the research focused on key stakeholders in three tourist destinations in the Jindřichův Hradec region. The aim of the research is to identify whether the stakeholders' involvement in the concept of destination competitiveness has the potential to positively influence the interconnected factors of competitiveness. The primary research tool lies in the application of the AHP method, which enables stakeholders to make a pairwise comparison of the factors of competitiveness. The paper provides a simplified recipe for local DMOs to define tourism policy so to be able to utilize cooperation with stakeholders as a source of competitive advantage while simultaneously being able to generate the positive effects on the interconnected factors of competitiveness.

### Key words

tourist destination, competitiveness, stakeholder

### Anotace

Článek se zabývá problematikou konkurenceschopnosti turistických destinací z pohledu destinačních stakeholders. Zaměřuje se na modely konkurenceschopnosti destinací a faktory konkurenceschopnosti. Článek představuje integrovaný model konkurenceschopnosti. Role destinačních stakeholders v tomto modelu je pak předmětem výzkumu mezi zástupci klíčových stakeholders ve třech turistických destinacích Jindřichohradecka. Cílem výzkumu je zjistit, zda zapojení stakeholders do konceptu konkurenceschopnosti destinace má potenciál pozitivně ovlivnit provázané faktory konkurenceschopnosti. Nosnou výzkumnou metodou je aplikace metody AHP, která umožňuje stakeholders párově srovnat faktory konkurenceschopnosti. Článek poskytuje určitý návod pro místní destinační společnosti, jak nastavit politiku cestovního ruchu tak, aby se spolupráce s místními aktéry stala zdrojem konkurenční výhody schopným generovat pozitivní efekty směrem k dalším provázaným faktorům konkurenceschopnosti.

### Klíčová slova

turistická destinace, konkurenceschopnost, stakeholder

**JEL classification:** R58, Z38

## 1. Introduction

The travel and tourism sector is ranked among the most progressive industries and has demonstrated steady growth since the global economic crisis. However, tourism also faces competitive pressures, which are substantially on the rise in our globalized society. Therefore, national and regional governments are concentrating their efforts on increasing competitiveness in tourism to attain the multiple positive effects that the tourism sector has on tourism

destinations in terms of the economic, socio-cultural, and environmental spheres (Stylidis, Biran, Sit & Szivas, 2014; Mazhenova, Choi & Chung, 2016).

The concept of destination competitiveness became a matter of interest to many scholars in the 1990s and since then, numerous papers have focused on the different issues related to destination competitiveness. The destination competitiveness models represent a significant research area. Although the complexity and range differ, all the models seek to provide a complex view of destination competitiveness. The models attempt to identify the factors of competitiveness as the determinants influencing the competitiveness position of tourist destination and the mutual links. Even though a number of these models exist, two generic models dominate; the model of Ritchie and Crouch (2003) and the subsequent model of Dwyer and Kim (2003).

The Conceptual Model of Destination Competitiveness is the most widely used conceptual model of destination competitiveness. The model modified Porter's Competitiveness Framework to the environment of tourism destinations and distinguishes 36 attributes of competitiveness grouped into 5 key factors: (1) supporting factors and resources, (2) core resources and attractions, (3) destination management, (4) destination policy, planning and development, (5) qualifying and amplifying determinants. It also points out the importance of the environment surrounding the destination, namely the global macro environment and the competitive microenvironment.

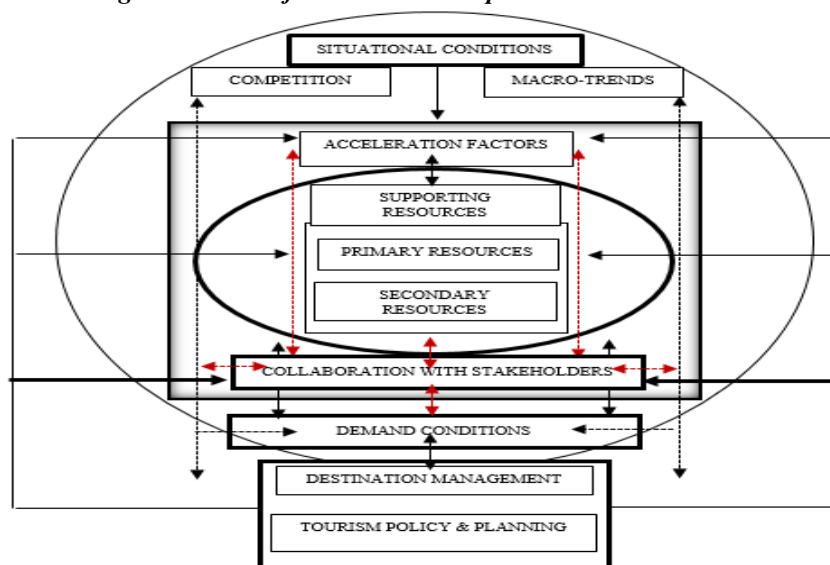
Dwyer and Kim (2003) modified and developed the model of Ritchie and Crouch and thus created the Integrated Model of Destination Competitiveness. Their model identifies new key factors of demand conditions and situational conditions as determinants of destination competitiveness. Moreover, the factors of destination policy, planning, and development do not create a separate group; they are an integral part of destination management. The model classifies the determinants of destination competitiveness under the following six groups: (1) inherited resources, (2) created resources, (3) supporting factors and resources, (4) situational conditions, (5) destination management, (6) demand conditions.

The paper focuses on these models and the related factors of competitiveness. It examines the influence of stakeholders' activities on related competitiveness factors within the framework of the integrated model of destination competitiveness. As such, the paper reflects the widespread belief that stakeholders are the main development power in tourist destination and intensive cooperation with stakeholders is a crucial condition for reaching a sustainable competitive advantage (Kozak, 2004; Aas, Ladkin & Fletcher, 2005; Byrd, Cárdenas & Greenwood, 2008).

## 2. Aim and Methodology

The aim of the research is to discover if the stakeholders' involvement in the concept of destination competitiveness has the potential to positively influence the interconnected factors of competitiveness. The following scheme shows the integrated model of destination competitiveness. The model integrates all the main factors influencing destination competitiveness from the previously mentioned models and shows the mutual links. In addition, the model adds the factor of cooperation with stakeholders as a new factor of competitiveness. This indicates the links between this new factor and the related competitiveness factors: (1) resources, (2) acceleration factors, (3) demand conditions, (4) situational conditions.

*Scheme 1: Integrated Model of Destination Competitiveness*



Source: Luštický and Bednářová (2018)

The impact of stakeholders' activities on the abovementioned factors of competitiveness (the links are marked in red) is the subject of the research. The term "impact" correlates with the standard stakeholders' attribute of "power". The power attribute is usually defined as the influence of a particular stakeholder on the positive development of a factor or the ability of a stakeholder to contribute to the positive development of a factor (e.g. Bryson, 2004). The main research question can be described as follows:

- Is there a positive impact of the stakeholders' activities on the main factors of competitiveness of a tourist destination?

The research question is answered by using the Analytic Hierarchy Process based on Saaty's pairwise comparison method. This method uses a five-point scale of relative importance for pairwise comparison between criteria. The scale is described in Table 1. A detailed description of the AHP is beyond the methodology; it can be found, e.g., in Saaty and Vargas (2001). The result of the AHP is the pairwise comparison reciprocal matrix that can be calculated for each comparison set. This matrix is used to calculate the normalized vector of weights  $w = (w_1, \dots, w_n)$ . Each  $i$ -th element represents the importance of the  $i$ -th criterion.

**Tab. 1: Saaty's Scale for Pairwise Comparison**

Intensity	Definition	Explanation
1	Equal importance	Two activities contribute equally to the objective
3	Weak importance of one over another	Experience and judgment slightly favor one activity over another
5	Essential or strong importance	Experience and judgment strongly favor one activity over another
7	Demonstrated importance	An activity is strongly favored, and its dominance is demonstrated in practice
9	Absolute importance	The evidence favoring one activity over another is of the highest possible order of affirmation

Source: Saaty (2008, p. 86)

The criteria for comparison are the main factors of competitiveness, which are decomposed into a two-layer hierarchical structure:

1. destination resources
  - a. primary resources (nature and cultural sights)
  - b. secondary resources (tourist infrastructure, attractions, fun, and relaxation)
  - c. supporting resources (basic infrastructure, transportation, hospitality, business environment)
2. acceleration factors
  - a. price level
  - b. quality of tourist services
  - c. safety
3. demand conditions
  - a. destination's awareness
  - b. destination's image
  - c. tourist preferences
4. situational conditions
  - a. competition
  - b. macro-trends (political, economic, social, technological)

The research considers stakeholders to be organizations that operate in the destination influenced by local tourism policy, and participate in the fulfillment of tourism policy priorities, or are substantially affected by these priorities. This means that the research is focused on organizations and so excludes individuals such as residents and visitors. The set of respondents is compiled based on the approach of Buhalis (2000), Presenza, Sheehan, and Ritchie (2005), and Morrison (2013) as follows: (S1) owners of accommodation facilities, (S2) owners of tourist attractions, (S3) providers of tourist services, (S4) representatives of tourist guides and information centers. The research is realized in three tourist destinations in the South Bohemia Region: Jindřichův Hradec, Třeboň, Slavonice.

### 3. Results and Discussion

Table 2 shows the results of the research in a comprehensive form. The method of data acquisition was structured face-to-face interviews with the representatives of the main stakeholder groups (S1 – S4) in three tourism destinations. The set of respondents was created with the help of public databases, destination websites, and

personal recommendations from TIC staff. Even though the research has a rather quantitative form, the testing phase clearly indicated that the interviews were essential because of the relatively demanding pairwise comparison method. The respondents were selected as significant representatives of each stakeholder group.

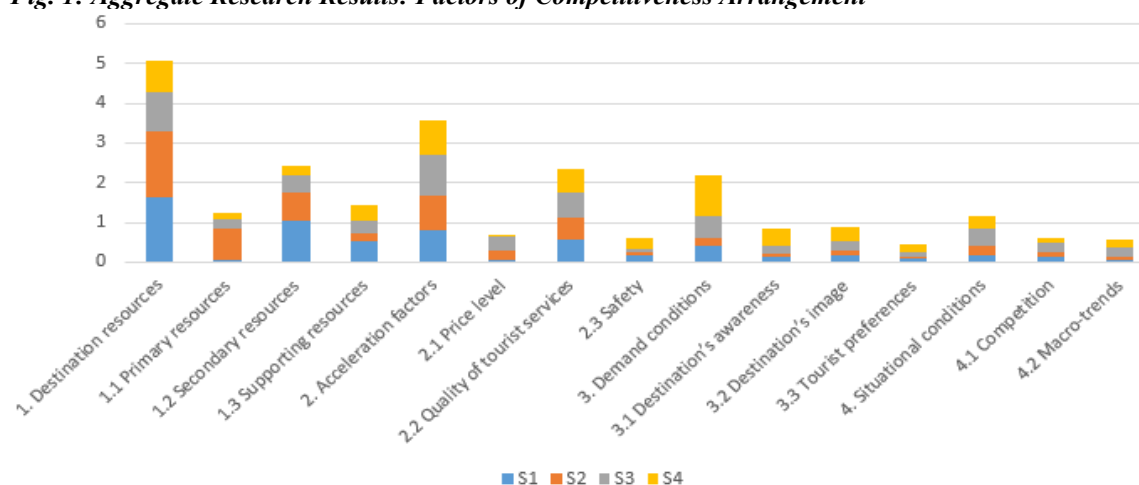
**Tab. 2: Research Results**

Criteria / Importance	Jindřichův Hradec				Třeboň				Slavonice			
	S1	S2	S3	S4	S1	S2	S3	S4	S1	S2	S3	S4
<b>1. Destination resources</b>	0.573	0.601	0.345	0.246	0.591	0.546	0.299	0.303	0.456	0.538	0.322	0.255
1.1 Primary resources	0.017	0.302	0.055	0.066	0.028	0.238	0.113	0.054	0.019	0.239	0.065	0.044
1.2 Secondary resources	0.389	0.279	0.169	0.096	0.373	0.259	0.108	0.076	0.259	0.195	0.141	0.065
1.3 Supporting resources	0.167	0.020	0.121	0.084	0.190	0.049	0.078	0.173	0.178	0.104	0.116	0.146
<b>2. Acceleration factors</b>	0.209	0.252	0.366	0.294	0.277	0.301	0.387	0.231	0.321	0.303	0.298	0.341
2.1 Price level	0.007	0.080	0.116	0.012	0.031	0.079	0.115	0.005	0.029	0.066	0.103	0.008
2.2 Quality of tourist services	0.145	0.165	0.211	0.198	0.216	0.202	0.234	0.128	0.216	0.188	0.186	0.252
2.3 Safety	0.057	0.007	0.039	0.084	0.030	0.020	0.038	0.098	0.076	0.049	0.009	0.081
<b>3. Demand conditions</b>	0.167	0.083	0.198	0.298	0.115	0.040	0.155	0.355	0.109	0.104	0.203	0.361
3.1 Destination's awareness	0.047	0.025	0.039	0.133	0.039	0.023	0.044	0.167	0.038	0.033	0.111	0.153
3.2 Destination's image	0.079	0.033	0.112	0.106	0.050	0.011	0.084	0.131	0.045	0.054	0.043	0.142
3.3 Tourist preferences	0.041	0.025	0.047	0.059	0.026	0.006	0.027	0.057	0.026	0.017	0.049	0.066
<b>4. Situational conditions</b>	0.051	0.064	0.091	0.162	0.017	0.113	0.159	0.111	0.114	0.055	0.177	0.043
4.1 Competition	0.026	0.056	0.053	0.054	0.010	0.062	0.080	0.043	0.078	0.035	0.080	0.016
4.2 Macro-trends	0.025	0.008	0.038	0.108	0.007	0.051	0.079	0.068	0.036	0.020	0.097	0.027

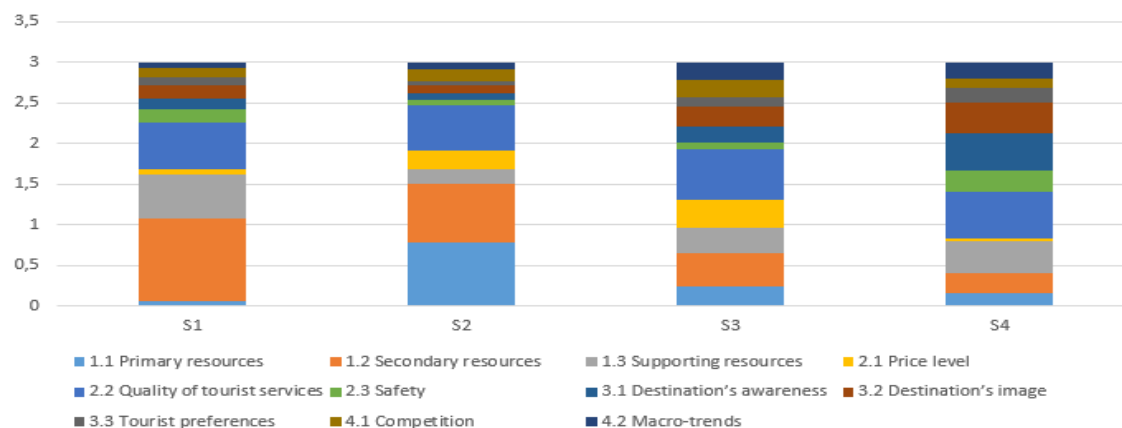
Source: own research

The results confirm the anticipated impact of the stakeholders' activities on the competitiveness factors, i.e. the importance of the stakeholders' involvement in the model of destination competitiveness. However, the impact differs when taking into consideration the particular stakeholders and the factors of competitiveness. The following charts represent the aggregate results arranged by (a) factors of competitiveness and (b) stakeholder groups.

**Fig. 1: Aggregate Research Results: Factors of Competitiveness Arrangement**



Source: own research

**Fig. 2: Aggregate Research Results: Stakeholder Group Arrangement**

Source: own research

The research results show the different effects of the individual stakeholder groups on the examined factors of competitiveness. This is due to their primary business and non-business activities. The most important factor for stakeholder involvement is the ability to actively influence both the secondary sources of the destination and the quality of the services offered. The stakeholders' behavior, respectively their activities, has the greatest influence on the factors of competitiveness.

It is evident that the strongest and most positive impact of the stakeholders' cooperation is to be expected in terms of the resources of the destination. Their quality and attractiveness are generally considered to be a key source of competitive advantage (e.g. Dwyer & Kim, 2003; Crouch, 2010; Goeldner & Ritchie, 2012). It is precisely such cooperation with the destination stakeholders that can be key when it comes to the development of secondary destination sources. In this respect, the owners of accommodation facilities and tourist attractions play a primary role. Other stakeholder groups can also participate but in a more limited way, for example, when the representatives of tourist guides and info centers are more likely to develop supportive resources.

Surprisingly, the link to the acceleration factors also proved to be quite strong, which is due to a strong link to the quality factor of the service offered. Almost all respondents declare that there is room for improvement by stepping up cooperation with the destination company. On the other hand, it is evident that the other factors in this group may be affected less. The stakeholders consider the pricing policy to be highly autonomous without any significant link to the cooperation factor. In addition, visitor security is perceived as a task for regional administration or a destination company, although they do admit their activity has a certain influence on this factor.

In terms of other factors of competitiveness, the noted impact is rather indirect. One exception is the effect on the familiarity of the destination and its image. In this case, representatives of tourist guides and info-centers who are in direct contact with the visitors to the destination are involved. In other cases, respondents are more likely to rely on the regional administration or the activities of a destination company where they see better conditions for influencing these external factors. Interestingly, visitor preferences are considered to be the most vulnerable. The respondents see them as a given, influenced by general trends, or specifically by a particular visitor segment. There is obvious room for improvement of the destination's competitive potential through the cooperation of the stakeholders with the destination company. While influencing preferences is a difficult and long-term task, it is certainly possible to work on this and to a certain extent, influence this competitiveness factor.

If we were to project the results into the destination lifecycle model, these are typical for the destination growth phase, or certain consolidations. There is interest in the offer of the destination and this offer is gradually being expanded and improved, while individual stakeholders are only learning to cooperate with each other and with the destination company. The management of the destination is at a rather low level and is limited by the available resources and the lack of experience. Focusing on many factors of competitiveness, such as destination awareness, developing the image, or influencing demand is at the starting point.

Therefore, the process of increasing the competitive advantage poses a major challenge to the researched destinations. The relevant activities require long-term planning, a thoughtful and conceptual approach, and intense cooperation with stakeholders. In addition, the immediate effect of these activities cannot be expected as they will always be reflected by a delay. However, research has shown that the potential for successful stakeholder

involvement in the management of the destination development exists, and the factor of cooperation can be used to strengthen the competitive position of the destinations on the tourist industry market.

#### 4. Conclusion

The research has successfully met its aim and has been able to prove the influence of stakeholders on various factors of competitiveness. This conclusion is proven by many authors who claim that the stakeholders' involvement in the development of tourism destination and intensive cooperation with them significantly contribute to the enhancement of the destination position in the tourism market (Buhalis, 2000; Goeldner & Ritchie, 2012).

However, this effort can be considered as one of the most demanding. Stakeholders' interests are often focused on their own goals and show a high level of heterogeneity, which results in low willingness to co-operate with local authorities. In addition, stakeholders usually declare a lack of financial capacity and time for active participation in tourism development. Therefore, the DMO or local government must find an answer to the question of how to activate their stakeholders and promote their activities that positively influence the key factors of competitiveness.

It is evident that the effort to enhance the competitive position of tourism destination must be followed by the application of stakeholder management activities. The basic activity lies in the application of a complex stakeholder analysis covering the following steps: (a) stakeholder identification and mapping, (b) stakeholder characterization by a set of attributes reflecting their perception of tourism policy, tourism impact, and taking into consideration their willingness to cooperate on tourism development at the same time, and (c) stakeholder prioritization based on the attributes. Such a stakeholder analysis has the potential to become the basis for formulating a set of recommendations designated for DMOs, which should lead to an improvement in the cooperation process. This is the only way how the factor of cooperation with stakeholders can fully reach its potential in a concept of destination competitiveness and thus contribute to sustainable tourism development and enhancement of the competitive position of tourist destination.

#### Literature

- [1] AAS, CH., LADKIN, A., FLETCHER, J., (2005). Stakeholder Collaboration and Heritage Management. *Annals of Tourism Research*, vol. 32, no. 1, pp. 28-48. ISSN 0160-7383. DOI 10.1016/j.annals.2004.04.005.
- [2] BRYSON, J. M., (2004). What to do when Stakeholders matter: Stakeholder Identification and Analysis Techniques. *Public Management Review*, vol. 6, no. 1, pp. 21-53. ISSN 1471-9037. DOI 10.1080/14719030410001675722.
- [3] BUHALIS, D., (2000). Marketing the Competitive Destination of the Future. *Tourism Management*, vol. 21, no. 1, pp. 97-116. ISSN 0261-5177. DOI 10.1016/S0261-5177(99)00095-3.
- [4] BYRD, E. T., CARDÉNAS, D. A., GREENWOOD, J. B., (2008). Factors of stakeholder understanding of tourism: The case of Eastern North Carolina. *Tourism and Hospitality Research*, vol. 8, no. 3, pp. 192-204. ISSN 1467-3584. DOI 10.1057/thr.2008.21.
- [5] CROUCH, G. I., (2010). Destination Competitiveness: An Analysis of Determinant Attributes. *Journal of Travel Research*, vol. 20, no. 10, pp. 1-19. ISSN 1552-6763. DOI 10.1177/0047287510362776.
- [6] DWYER, L., KIM, C., (2003). Destination Competitiveness: Determinants and Indicators. *Current Issues in Tourism*, vol. 6, no. 5, pp. 369-414. ISSN 1368-3500. DOI 10.1080/13683500308667962.
- [7] GOELDNER, CH. R., RITCHIE, J. R. B., (2012). *Tourism: Principles, Practices, Philosophies*. Hoboken: John Wiley and Sons. ISBN 978-1-118-07177-9.
- [8] KOZAK, M. (2004). *Destination Benchmarking: Concepts, Practices and Operations*. Wallingford: CABI Publishing. ISBN 0-85199-745-7.
- [9] LUŠTICKÝ, M., BEDNÁŘOVÁ, M., (2018). Tourism Destination Competitiveness Assessment: Research & Planning Practice. *Global Business & Finance Review*, vol. 23, no. 3, pp. 49-67. ISSN 1088-6931. DOI 10.17549/gbfr.2018.23.3.49.
- [10] MAZHENOVA, S., CHOI, J., CHUNG, J., (2016). International Tourists' Awareness and Attitude about Environmental Responsibility and Sustainable Practices. *Global Business & Finance Review*, vol. 21, no. 2, pp. 132-146. ISSN 1088-6931. DOI 10.17549/gbfr.2016.21.2.132.
- [11] MORRISON, A. M., (2013). *Marketing and Managing Tourism Destinations*. New York: Routledge. ISBN 978-0-415-67249-8.
- [12] PRESENZA, A., SHEEHAN, L., RITCHIE, J. R. B., (2005). Towards a Model of the Roles and Activities of Destination Management Organizations. *Journal of Hospitality, Tourism and Leisure Science*, vol. 3, no. 1, pp. 1-16. ISSN 1473-8376.
- [13] RITCHIE, J. R. B., CROUCH, G. I., (2003). *The competitive destination: a sustainable tourism perspective*. Wallingford: CABI Publishing. ISBN 978-0-85199-664-6.

- [14] SAATY, T. L., VARGAS, L. G., (2001). *Models, methods, concepts & applications of the Analytic Hierarchy Process*. New York: Springer. ISBN 978-1-4613-5667-7.
- [15] STYLIDIS, D., BIRAN, A., SIT, J., SZIVAS, E. M., (2014). Residents' Support for Tourism Development: The Role of Residents' Place Image and Perceived Tourism Impacts. *Tourism Management*, vol. 45, pp. 260-274. ISSN 0261-5177. DOI 10.1016/j.tourman.2014.05.006.