Towards a greater international competitiveness of cross-border destinations: Internal strategic organisational destination management criteria for future success. A case study of the heterogeneous cross-border destination ‘Lake Constance’

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Towards a greater international competitiveness of cross-border destinations: Internal strategic organisational destination management criteria for future success.

A case study of the heterogeneous cross-border destination ‘Lake Constance’

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Declaration:

I declare that this dissertation project has been completed by me and is my own work, unless stated otherwise. All sources used or quoted are indicated and acknowledged by means of complete references. The paper is submitted to the Tourism Destination Management department of NHTV Breda University of Applied Sciences. The work has not been submitted before for any degree or examination at any other university.

Signature: 
“Destination competitiveness is, in a sense, tourism's Holy Grail.”
(Ritchie and Crouch, 2000)
Preface and acknowledgements

When I moved to the Lake Constance area in May 2010, I knew right away that this would constitute a perfect study area for my master’s thesis. With a long tradition in tourism and different countries forming one destination, I was eager to find a topic dealing with this area. Since the start of my master studies at NHTV, I became very enthusiastic about destination management organisations (DMOs) and how they are capable of shaping the touristic future of a place. I had this passion for tourism boards and regional or local DMOs, which I did not want to discard for my final dissertation. Particularly the competitiveness of such organisations within the dynamics of the tourism industry was of great interest to me. Hence, I started research for my proposal on competitiveness of destinations, coupled with cross-border destinations. I was very pleased with the topic I decided on in June 2010, which is explained in detail in the context analysis of this report. The final product, the master dissertation, I proudly present in this paper.

In the process from drafting the research proposal back in May 2010 until writing the final chapters in November 2010, many valuable and helpful people crossed my path. I would like to give my sincere thanks to them for taking a stake in this journey of seven months:

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My warmest thanks to my parents and to my siblings Benjamin and Hannah for simply being the way they are and for the strong support throughout this dissertation project. Even though 2010 was not a perfect year – with your help I was able to graduate and, therefore, would like to dedicate my work to my family in hopes of better times in 2011.

And finally, never enough thanks to Andrew for his patient, supportive, helpful and cheery personality which I do not want to miss.
Executive summary

The topic of this research paper is destination competitiveness, focussing on the symbiosis of competitive destination management criteria and cross-border destinations. Globalisation, the World Wide Web, social shifts affecting tourists’ behaviour, decreasing international travel costs and a constant search for new experiences amongst the travelling population of contemporary times, inevitably tighten the competition of destinations worldwide. Preliminary research revealed gaps in the existing literature on internal management criteria in connection with the competitiveness of cross-border destinations, which presumably deserve special academic attention.

Hence, the research goal is designated to develop a framework incorporating essential internal destination management criteria and subsequently test it through an empirical research process on a cross-border umbrella organisation and its stakeholders in a European destination. The case study area chosen for this investigation is the Lake Constance destination in Central Europe involving four countries (Germany, Austria, Switzerland and Liechtenstein) and represents a challenging research target due to the region’s unique heterogeneity, diverging interests of stakeholders and existing destination management problems.

The research is dedicated to answer – amongst others – the following research questions:

- Which internal managerial criteria have the potential to increase the competitiveness of a cross-border destination towards filling the gap of contemporary tourism literature?
- How are (theoretically developed) criteria currently met at destination management level at Lake Constance?
- What recommendations can be formulated in terms of internal strategic organisational destination management criteria for the Lake Constance destination?

Towards answering aforementioned research questions, an extensive literature research was accomplished to get to the bottom of academic literature in the fields of destination management and marketing; cross-border areas and tourism; stakeholder management; collaboration, networking and partnerships in tourism; competitiveness of destinations as well as international and cross-cultural strategic management. Primary literature (e.g. theses and government publications), secondary literature (e.g. books, journals and newspapers) as well as tertiary literature (e.g. search engines provided via NHTV databases) were applied in this process. Secondary research detected twelve criteria, which have the potential to increase the competitiveness of destinations:

- organisational set-up;
- human resource management (HRM);
- tasks, roles and responsibilities;
- stakeholder management;
- linkages;
- tourism strategy and planning;
- marketing settings;
- innovation;
- spirit;
- research and knowledge exchange;
- resource management;
- control.

The author of this dissertation applied qualitative semi-structured face-to-face or telephone interviews with the international umbrella organisation of Lake Constance as well as 19 tourism actors in Germany, Austria and Switzerland in order to investigate the execution of theoretically identified attributes. Moreover, participant observation, non-participant observation, talking to non-
tourism experts and consultation of local newspapers were further ‘alternative’ research techniques applied at the case study destination. It is concluded that certain characteristics are currently well in line with best practice examples from literature (‘Category 1’). Those include, for example, flat management structures, adaptive management and team coaching sessions within the international umbrella organisation and a high cooperation willingness, active task sharing and a common identity amongst tourism stakeholders. Some criteria implicate managerial shortcomings, which are actively approached at the moment or in the near future (‘Category 2’), including the formulation of a new tourism strategy and marketing plan for the cross-border destination, professionalization of tourism research and the strengthening of a proactive knowledge exchange. Finally, a few aspects constitute managerial deficiencies, which are not addressed by the respective tourism stakeholders at Lake Constance (‘Category 3’).

Recommendations were formulated for the latter category and include, amongst others, the following:

- a less centralised management of the umbrella organisation;
- professional training facilities for non-tourism experts;
- admittance of the delegation of responsibilities;
- development of a stakeholder map;
- establishment of more cross-border partnerships;
- proactive support of smaller players with their strategic orientation;
- social engagements for marketing purposes;
- development of an innovation day and annual innovation reward;
- formulation of a Code of Conduct;
- establishment of a criteria catalogue for gathering research data;
- active nature conservation through cross-border products;
- development of a comprehensive crisis management plan.

It is anticipated that the international umbrella organisation – together with its stakeholders – keeps track of the attributes that are currently going well, or even intensifies the positive category 1 characteristics. Further, it is expected that all plans within category 2 are implemented in the near future towards improving the competitive edge of the destination. Finally, based on an in-depth literature research and a decent empirical investigation at Lake Constance, the recommendations formulated for category 3 attributes are established proposals to be all set for facing the unknown tourism future of the 21st century.
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Chapter 1 – Introduction

‘Destination competitiveness is, in a sense, tourism’s Holy Grail.’ (Ritchie and Crouch, 2000)

The present paper presents an investigation, which dives into the topic of destination competitiveness. Towards filling a gap in literature, the study focuses on the application of competitive destination management criteria at cross-border destinations. The research goal is to first develop a framework incorporating essential destination management criteria for organisations in competitive cross-border destinations, which will represent enrichment to existing tourism literature. Subsequently, the framework is tested on the Lake Constance destination in Central Europe through an empirical research process. The investigation includes interviews with public and private tourism enterprises and institutions around the lake, towards detecting managerial deficiencies in the cross-border destination management. The Lake Constance destination was chosen due to its highly heterogeneous and fragmented characteristics with diverging interests of stakeholders, current developments in cooperative tourism initiatives as well as very distinctive management challenges.

Due to well-founded recommendations for the case study area, the cross-border umbrella organisation and its stakeholders may benefit from the investigations presented in this paper. The recommendations, ideally, have the potential to support the Lake Constance destination in gaining greater competitiveness through explicitly presented strategic actions towards improving the internal organisational management.

The structure of the present document is outlined below:

The dissertation report launches in chapter two with a balanced context-analysis, in which important terms and the topic of competitive environments of destinations are outlined. Furthermore, the gap to be filled with the present research is presented, which guides the reader to the research goal and research questions outlined in chapter three. The following chapter elaborates upon the methodological framework, including secondary and primary research techniques as well as strengths and weaknesses of applied methods. Chapter five depicts the development of the theoretical framework on twelve internal destination management criteria, which is based on an extensive literature research. After the presentation of the theoretical framework, the study zooms in on the case study area in chapter six. The empirical application of chosen theories and concepts is outlined in the following part (chapter seven) leading into profound conclusions of the research (chapter eight). Recommendations to the tourism actors of the case study area regarding current managerial shortcomings are formulated in the penultimate chapter number nine. The report concludes with a few suggestions for further research.
Chapter 2 – Context analysis

This chapter will provide an extensive analysis of the context in which the research subject takes place. Important terms are defined, background information is presented and a brief literature review introduces the problem area, which will guide the reader to the research goal of the dissertation project.

2.1 Defining the terms ‘destination’ and ‘destination management’

The term ‘destination’ is deeply rooted in tourism literature, but how the term is understood and interpreted may differ. While simplistic definitions may consider a ‘place to which somebody is going’ (Oxford dictionary, 2000, p.342), tourism professionals often define destinations as ‘amalgams’ of tourism products, facilities and services, which – according to Cooper et al. (2005, p.725) – ‘compose the total tourism expertise under one brand name’. Those amalgams are visited by people outside of their normal place of residence (Bornhorst et al., 2010) and are usually restricted by geographical areas or boundaries. In order to become a proper ‘tourist destination’, the place has to fulfil certain criteria, which Howie (2003) defines as (1.) resources with attraction potential, (2.) tourist accommodation, (3.) transportation and (4.) long-term tourist-related developments to continue satisfying residents and tourists alike. A final characteristic of a tourism destination is provided by Bieger (2008), who argues that a destination is defined as per the guest’s perception, which is again influenced by his or her (cultural) background. Therefore, nearly everything from a resort, site or region to a country or even a continent, can possibly be considered a destination.

Whereas attractions such as Disneyland Paris or the ruins of Machu Picchu in Peru can ‘by themselves provide such substantial […] visitation experiences that they can be considered to be a destination in their own right’, the term may as well describe transnational geographical areas, which do not necessarily follow any boundaries of a political jurisdiction (such as the Alps in Europe) (Bornhorst et al., 2010, pp.572-573). However, those areas ideally should be operationally coherent and manageable units with identical or at least similar touristic structures, coherent socio-historic backgrounds, and similar structures of offer and demand (Wachowiak, 2006). Improved international relations, the dismantling of political frontiers by various organisations, and an increase of regional political and economic alliances (European Tourism Research Institute, 2005; Ioannides et al., 2006; Prokkola, 2007; Timothy, 2001) foster the position and increasing importance of cross-border regions. Today, many international borders have become zones of integration and amity, which facilitates trans-boundary interaction and greater levels of complementarity in tourism in some border regions (Bieger, 2008). According to Timothy (2001), borderlands hold a great deal of potential for tourism development and they will continue to present a unique venue for tourism. At the same time, however, they appear as unique situations where the theories used to explain economic, political, social, and geographical patterns offer inadequate explanations (Timothy, 2001). Husbands (1981, cited in Timothy, 2001) goes a step further and even labels them ‘specialised problem areas’ (p.150), which makes them an interesting target for this research subject. This is confirmed by Timothy (1995), who argues that tourism is not only becoming increasingly important for border areas, but that this study area also deserves more attention by academics and practitioners alike in order to effectively develop and promote them.
The exact explanation of a destination for this particular research project is the following (own assortment):

A place or area extending over different countries, which can be considered a collective entity (one destination in itself), unified through a natural occurrence with tourism potential (a lake, a sea, a national park, an island). Applying Matznetter’s three-fold typology of relationships between boundaries and tourism, the third and last is the most suitable one for this definition: ‘Tourist zones that extend across, or meet at, borders’ (1979, cited in Timothy, 2001, p.10). Further requirements are not only the consumer’s classification of the destination as a unified whole, but also the stakeholders’ actions and attitudes towards cooperation (in tourism). This may include an umbrella organisation (possibly a DMO) responsible for the entire region regardless of international boundaries; collaborative tourism products (e.g. a cycling track involving different countries); or future plans in line with the above. Finally, the destination’s internal borders cannot present barriers, but should be open for visitors to move about freely.

‘Destination management’ represents the challenging task of serving the various needs of tourists and tourism-related businesses as well as the local communities, local businesses and industries in order to maximise customer value (WTO, 2007). This task is being complicated through the fact that destinations rarely have a single owner or manager (Howie, 2003), which implies difficulties in terms of coherent goals and objectives. The various forces impacting destinations are often contradicting, as tourism is mainly driven by a profit-oriented business attitude. Those contradicting forces can only be reconciled and balanced through effective destination management in order to develop tourism in a sustainable manner (Page, 2007). Ideally, through effective destination management, destinations should appear to the visitor ‘as one single homogeneous touristic product’ (Bieger, 1998, cited in Hartmann, 2006, p.92). Having the various players ‘functioning together as a harmonious whole’ (Howie, 2003, p. 1) presents an eager target, particularly when the destination is a highly fragmented and complex one involving a wide range of stakeholders. As destinations do not necessarily follow borders, which is the case for this research, those stakeholders are likely to present different nationalities. As Hartmann (2006, p.102) states in her chapter: ‘Even in an area with over a hundred years of experiences in cross-border cooperation, the implementation of a destination management process remains a very complex task considering its coordination and the strategic unification of the touristy key players (...)’. Particularly in such circumstances, different regional actors need to recognise and appreciate what occurs on the other side of the border in order to achieve sustainable tourism planning.

The task of destination management is increasingly being done by so-called DMOs. Traditionally, this abbreviation stood for ‘destination marketing organisations’, but the meaning has shifted towards ‘destination management organisations’. While this modified role presents many new challenges, it also provides a much broader range of opportunities for ensuring destination competitiveness (Crouch, 2006). Those DMOs can act on a national level (as national tourism authorities or organisations), on a regional, provincial or state level, or on a local level responsible for small geographical areas (WTO, 2004 cited in Presenza et al., 2005). Today, DMOs act as conduits between various stakeholders and are becoming policy advocates, therewith extending their simplified traditional role of marketing and promotion (Sheehan & Ritchie, 2005). Moreover, planning, research, destination development, human resources management, business advice and – generally – creating a suitable environment for tourism are, amongst others, important tasks of a DMO (WTO,
2007). The objectives of managing tourism are described by Page (2007) as profitability (achieving higher output, more customers etc.), public sector goals (e.g. rising awareness), efficiency (reducing expenditures) and effectiveness (achieving desired outcomes, which are not necessarily profit-driven). The main objective of aforementioned activities conducted by DMOs is creating a competitive advantage over their competitors, because – like all consumer goods – destinations must persuade their customers that they have some combination of benefits, which no-one else has to offer (Crouch, 2007). The World Tourism Organisation (WTO) divides tasks into an ‘inward management’ as well as an ‘outward marketing’ focus, which are also acknowledged by Presenza et al. (2005), who identify them as ‘internal destination development’ and ‘external destination marketing’. While some marketing settings will be covered in this thesis, emphasis will be on the inward activities of a DMO.

The imperative necessity of academic tourism research in cross-border tourism is underlined by Wachowiak in his preface to the book ‘tourism and borders’, in which he tries to motivate the academic community to continue the academic discussion in this subject area. In order to enhance opportunities of growing cross-border (especially European) regions, the dissertation focuses on this particular type of tourism destination within the context of destination management.

2.2 Defining tourism stakeholders of destinations

The term ‘stakeholders’ is another widely acknowledged term in tourism literature and can – just as the term ‘destination’ imply different connotations. Definitions may range from ‘any naturally occurring entity’ (possibly including trees and rocks) (Starik, 1994 cited in Friedman & Miles, 2005, p.9), which are broad, ‘normative’ theories (referring to the claim of the stakeholders), to rather narrowly defined ‘strategic’ stakeholder groups (such as the Stanford Research Institute’s definition of ‘those groups without whose support the organisation would cease to exist’ (p.5). Destinations certainly incorporate Starik’s natural entities, as the environment usually represents an important part of the actual tourism product. However, for the sake of this research paper, a focus on management organisations of destinations necessitates a rather narrow and strategic definition. The collection of stakeholder definitions in Friedman and Miles (2005) actually focuses on stakeholders of companies, but can easily be applied to the concept of destinations as well. The most applicable one for this dissertation assignment is the definition of Wicks, Gilbert and Freeman (1994, cited in Friedman and Miles, 2005, p.6): ‘(The organisations that) interact with and give meaning and definition to the (destination)’. In the case of complex tourism destinations, those include all organisations from a macro (national) to a micro (local) level and may incorporate national and regional or provincial government; economic development agencies; local authorities or government and town centre management organisations at a public level (WTO, 2007). Other private sector associations (hotel and transport associations for instance) and key private sector players (e.g. huge attraction providers) are considered in this research as well, as the public-private sector relation is a quintessential aspect of destination management. This research seeks to ameliorate the interaction of stakeholders at highly fragmented destinations, which is further explained in the following sub-chapter.

2.3 Competitive environment of destinations

The world of tourism is subject to a variety of powerful trends, which inevitably reinforce the growing competitive environment of destinations world-wide. Globalisation and the World Wide
Web foster a growing awareness of the world through improved information access. More consumers participate in higher education and practice foreign languages more actively, which, according to Howie (2003), has the potential to diminish the cultural distance of previously remote destinations. Other social factors, such as later marriage, smaller family size, earlier retirement, increased leisure time (Howie, 2003), rising spending power of a growing international middle class coupled with cheaper airline fares and a general decrease of international travel costs, is opening up the world to the international consumer. This is triggered by a constant search for new experiences amongst the contemporary travellers, which, according to Anholt (2007) indicates that ‘the age of competitive identity has come’ (p.19). It is argued that the actual tourism product is the overall experience delivered by the destination, which indicates that competition ‘centres on the destination’ (Ritchie and Crouch, 2000 cited in Vanhove, 2005, p.108). Aforementioned global trends in consumer profiles, upcoming market possibilities and a decrease in customer loyalty imply an incredible increase of competition amongst destinations, not only regionally, but worldwide (Crouch, 2007; European Tourism Research Institute, 2005; Hales, 2006; Jamal & Jamrozy, 2006; WTO, 2007). Hartmann (2006) states that guaranteeing competitiveness within the global market will become one of the most crucial challenges in the future.

Hence, the success of tourism destinations is influenced by their relative competitiveness, which is an area of growing interest amongst researchers (Enright & Newton, 2004), particularly due to the destination competitiveness’ ‘tremendous ramifications’ on the tourism industry (Ritchie & Crouch, 2000 quoted in Enright & Newton, 2004, p.777). Various conceptual models and frameworks were developed with competitiveness as the central point (Vanhove, 2005).

But what is competitiveness? Competitiveness in tourism can be measured through tourism expenditures, visitor numbers, visitor satisfaction and profit increase, while – at the same time – preserving cultural and natural assets (Ritchie & Crouch, 2003 cited in Vanhove, 2005). But how can this be actively approached? What does literature suggest and how can theory be applied to practice? What if the destination is not a Disneyland Paris, but a cross-border area involving hundreds of stakeholders?

### 2.3.1 Facilitating competitiveness of destinations

When studying theories on how to facilitate competitiveness of tourism destinations, conventional research particularly focuses on marketing practices (primarily done by destination marketing organisations) or the image of a destination. Apart from that, research identifies and analyses attributes such as the products or resources of a destination (see for example Melián-González & García-Falcón, 2003), which influence the attractiveness of a certain region (Enright & Newton, 2004) or the price component, which is undeniable an important element of competitiveness (Vanhove, 2005). However, destination competitiveness cannot be condensed to a small set of determinants (Crouch, 2007). Geist (2005) even states that if a DMO wins on price, it would mean that it couldn’t distinguish itself from the competition in a more meaningful way. He argues that ‘anybody can win on price’ (p.14).

Today, an abundance of literature is available, which discusses different models and frameworks (e.g. Porter’s diamond of national competitiveness from 1990; Crouch and Ritchie’s Tourism Destination Competitiveness (TDC) from 1999), to which various attributes are added constantly. Those models are ‘of a different nature’ with a variety of ‘starting-points and / or a line of approaches’ as Vanhove
(2005, p.136) identifies in his chapter on ‘competition and the tourism destination’, in which he compares seven of the frequently cited models. So what do those theoretical frameworks suggest in order to facilitate, for example, an increase of tourism numbers and visitor satisfaction? Is it sufficient to only incorporate marketing practices, product attributes, resources and price?

Some authors (e.g. Crouch & Ritchie, 1999) identify the necessity to consider a much wider set of management activities. A study by Bornhorst et al. (2010), for example, includes managerial aspects such as effective management, strategic planning, organisational focus as well as quality personnel. The study, however, then focuses on the perception of respondents on the success factors of a destination and herewith looses focus on aforementioned attributes. Conventional research on marketing practices is also recently being extended to identify the influence of inter-organisational cooperation and collaborative marketing amongst stakeholders (e.g. Wand & Xiang, 2007; Bhat & Milne, 2008; d’Angella & Go, 2009; all cited by Bornhorst et al., 2010). Such internal collaborations, however, are not augmented to include practices other than marketing. Probably the most extended and comprehensive model by Ritchie and Crouch (2000) includes – besides resources and attractions etc. – two categories with a stronger managerial focus: ‘destination management’ and ‘destination policy, planning and development’. Those categories include planning, marketing, human resources, organisation, research and crisis management. The model will be dealt with in greater detail at a later stage of this report as an important contribution and advance in the academic literature of destination competitiveness. Enright and Newton (2005), who tested the model in Asia-Pacific, also came to the conclusion that the value of a more comprehensive approach and the inclusion of business-related factors besides the conventional tourism attractors are inevitable when it comes to the competitiveness of a destination.

After diving into the existing literature on destination management and competitiveness, it can be summarised that destinations are increasingly competing on an international level and that the need for competitiveness is growing. The interest in this subject area in terms of academic research is relatively high and an accumulation of information on this topic is available. Even though theories on destination competitiveness increasingly incorporate managerial aspects, not a single study focuses solely on those aspects and – if taken into consideration – they are often only incorporated as side-effects accompanying other (more important?) competitive attributes. A few studies, such as Ritchie & Crouch (2002) and Dwyer & Kim (2003) successfully include several management indicators, but it is questionable whether those are applicable for highly fragmented cross-border destinations. Within the academic tourism literature of today, no theory or model focusing on destination management of cross-border destinations, and at the same time seeking to enhance the international competitiveness, could be identified. Ioannides et al. (2006) admit that ‘serious gaps in our knowledge on this topic (tourism and borders) remain’ (p.2).

As a logical result of the findings in this chapter, the research goal is presented in the following chapter.
Chapter 3 – Research goal and research questions

Deriving from the context analysis, the research goal of this dissertation project is:

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To theoretically develop a framework
on internal strategic organisational destination management criteria
for a greater international competitiveness of cross-border destinations,
and empirically test it on a cross-border umbrella organisation and its stakeholders
in Europe’s Lake Constance destination.
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The research questions supporting the goal are:

1. Which internal managerial criteria have the potential to increase the competitiveness of a cross-border destination towards filling the gap of contemporary tourism literature?
2. How can (theoretically gathered) internal destination management criteria be allocated in an all-encompassing framework to be applicable for practical execution?
3. Why is the Lake Constance area a suitable research target for the application of the theoretical framework?
4. How are theoretically developed criteria currently performed at destination management level at Lake Constance?
   a. How is the cross-border umbrella organisation (IBT) currently dealing with the internal destination management?
   b. What role are the stakeholders of the umbrella organisation performing when it comes to cooperative destination management?
   c. What are the major difficulties within the management of the cross-border destination Lake Constance (with regards to the theoretical framework) and how could those be ameliorated for a greater competitiveness in the future?
5. Is the theoretically developed framework applicable for cross-border destinations in general or should it be adjusted for an enhanced application?
6. What recommendations can be formulated in terms of internal strategic organisational destination management criteria for the Lake Constance destination?
Chapter 4 – Methodology

This chapter is going to present the techniques and procedures used to obtain the data. The research methods included both primary research techniques (data collection specifically for this research project) as well as secondary research techniques (also referred to as desk research or literature research with data originally collected for some other purposes). All methods represented an overall deductive research approach, which means that literature was used ‘to identify theories and ideas’ in order to develop a theoretical or conceptual framework, which could be tested at a later stage of the research (Saunders et al., 2007, p.57). The primary and secondary research techniques, with their purposes and strategies as well as advantages and disadvantages are presented separately in the following sub-chapters.

4.1 Secondary desk research

The secondary desk research approach was utilised in the first stage of the research process. An exploratory study to ‘seek new insights’ through an extensive search of the literature (Saunders et al., 2007, p.598) was conducted in order to compile a theoretical framework on internal criteria of destination management. For this research, primary literature (published and unpublished papers), including reports, theses, emails, company reports and government publications, was gathered, evaluated and combined with secondary literature (books, journals, newspapers).

The search tools (tertiary literature) ‘help(ed) to locate primary and secondary literature’ (Saunders et al., 2007, p.65), which was predominantly accessed through the NHTV databases. The databases applied the most include ‘Hospitality and Tourism Complete (EBSCO)’, ‘International newspapers and magazines (LexisNexis Newsportal)’, ‘SAGE Journals Online’ and ‘Science Direct’. Moreover, several libraries were visited for printed reports and books: The NHTV library, the library of the University of Amsterdam and the regional library of the Austrian state Vorarlberg.

Besides assembling theories and concepts for the theoretical framework, the literature research was conducted to receive relevant information for the context analysis (for example information on destination management, competitive advantages and trends in tourism) and to write the methodology (through reading books on [tourism] research techniques). Finally, (online) desk research moreover provided an initial data collection on the stakeholders that are active in the case study area via their respective homepages. At all times, it was ensured that only relevant information was incorporated in this final research report and that a variety of sources, opinions and information was consulted for a well-balanced evaluation and analysis.

4.2 Primary empirical research

The primary research techniques were conducted in phase two of the research. The strategy in this phase contained a case study, which is an empirical investigation of a particular phenomenon within its real-life context (Saunders et al., 2007). The case study area for this research is briefly described in chapter six of this report. The research with the actors of the case study area constituted an explanatory study as the ‘emphasis (was) on studying a situation (…) in order to explain the relationships between two variables’ (Saunders et al., 2007, p.589). Those variables contained the study of the current situation of destination management (in the case study area) and the testing of the attributes from the theoretical framework regarding the case study area. In accordance with the
definition of ‘stakeholders’ provided in the context analysis, participants were chosen with regards to their potential of ‘interacting with and giving meaning and definition to the destination’. As it will be explained in the introduction to chapter six, various actors involved in the cross-border destination were approached.

As the framework compiled in this report is meant to support cross-border tourism organisations, it is important to note that there was one key player amongst the actors. The main stakeholder is the international cross-border umbrella organisation of the case study area and all members and stakeholders of that organisation were interviewed as well. The umbrella organisation and the case study area are presented in chapter six.

For the interview with the cross-border organisation, qualitative research was utilised. Qualitative research is a collective term for semi-structured and unstructured interviews aiming at generating qualitative, non-numerical data (Saunders et al., 2007) and is specifically beneficial for exploring insights and investigating perceptions and personal attitudes of interview respondents. The qualitative interview was conducted face-to-face for two hours and was recorded to avoid loss of data. Appendix II lists the questions and themes covered in this conversation.

Major stakeholders of the cross-border organisation were interviewed subsequently. Those included both partners and other influential players, such as regional or local DMOs, political institutions and key private sector players (e.g. attraction providers). In total, 19 interviews were conducted out of 38 approached potential interview respondents, which represents a response rate of 50%. Reasons for non-participation were refusal to respond, inability to make contact or ineligibility to respond by available contact person (Saunders et al., 2007). It is very unfortunate that no organisation from Liechtenstein was available.

The majority of interviews were done face-to-face at the organisations’ headquarters, while a few interviews were conducted via telephone due to logistical challenges and a tight schedule of two weeks. An overview of the organisations visited is provided in Appendix I and the geographical spread is visualised in figure 2 (see next page).

During the stakeholder interviews, different questions were discussed. While all interview respondents received the same questions, again, a qualitative research was employed in order to allow for in-depth discussions and to receive valuable insider knowledge. At the same time, standardised questions and a strict sequence of questions supported easier comparison of the responses. A sample of the interview questions applied is provided in Appendix III.

The interviews took between 30-120 minutes and were recorded. In order to respect the integrity of the interviewees, names are not revealed in the report.
Last but not least, the researcher applied a few ‘alternative’ primary research techniques. According to Bailey (2007), not only interviews and interactions play a fundamental role in field research, but also observation does (seeing with one’s own eyes). The researcher conducted participant observation (visiting attractions and talking to tourist information centres etc.) as well as non-participant observation (reading brochures and browsing websites). Those observations helped the researcher to get to know the destination quickly and to have a presentiment of possible organisational short-comings. Moreover, whenever possible, the researcher talked to people who live and work at the destination (non-tourism experts) to receive an idea from their perspective regarding tourism development in the area. At all times during the research, local newspapers, magazines and online networks were constantly consulted to read statements and articles on tourism at Lake Constance. Those techniques supported the detection of potential problems in the destination management of the region and the mitigation of possible shortcomings due to an unequal spread of interview respondents (e.g. no Liechtenstein and only a few Swiss organisations).

Figure 1 presents a brief overview of all methods described above.

4.3 Time frame

The research for the dissertation took place from June until October 2010. The primary research at the case study area was conducted from August 17 until September 10, 2010.

4.4 Research area / geographical scope

The secondary research was conducted in Breda, the Netherlands as well as online from different locations in Germany and Austria. The primary research was geographically determined and incorporated the regions around Lake Constance within the four countries Germany, Austria, Switzerland and Liechtenstein. Below map represents the geographical spread of the active response rate of phase 2, which – unfortunately – does not include Liechtenstein. The initial map below was taken from wikimedia commons, the free media repository, and adjusted to suit the research needs.

![Figure 2 – Geographical spread of interviews (own adjustments)](image-url)
4.5 Evaluation of methods

Undoubtedly, the methods described in this chapter were not strictly determined from the start. Instead, different methods were considered and evaluated and those that appeared the most suitable were chosen in the end. Moreover, certain methods were added during the research process due to unforeseeable, emerging opportunities. The following list presents a few thoughts on applied methods to identify strengths and weaknesses:

- Through regularly switching locations and gaining access, the researcher was able to extend the secondary research to other libraries and consulted not only English, but also German literature;
- The deductive, exploratory research approach, in which the researcher decided to compile something new out of existing theories instead of merely applying ready-made frameworks, was a complicated, but highly rewarding process through which the student learned a lot;
- The reliability of the results from the empirical research was reduced due to an active response rate of only 50%. The researcher could have extended the initial sampling if more time and financial resources would have been available;
- The time available for this research was limited, which prevented the researcher from incorporating all desired aspects (see further research suggestions);
- Due to the refusal of organisations in Liechtenstein to take part in the empirical investigation, the geographical spread is not entirely balanced, which might have influenced the results;
- The decision to conduct qualitative interviews instead of quantitative ones (which the researcher was aiming at first) proved highly efficient, as the researcher was able to identify interesting issues due to in-depth conversations;
- First, the researcher was targeting online questionnaires, but the personal contact with the interview respondents seemed beneficial to receive more honest answers after a trustful base was established.

The following weaknesses and strengths of the methods applied during this dissertation assignment could be identified:

![Figure 3 – Weaknesses and strengths of research methods (own assortment)](image-url)
Chapter 5 – Amplifying competitiveness of cross-border destinations

The following chapter is a compilation of theories and concepts from academic literature, which is derived from books and articles on destination management and marketing; cross-border areas and tourism; stakeholder management; collaboration, networking and partnerships in tourism; competitiveness of destinations as well as international and cross-cultural strategic management. It could be argued that the latter misses an obvious link to the subject of this thesis, but the researcher believes that destinations comprise a competitive entity, which should be led as a strategic business unit. Bieger (2008) supports this view in saying that destinations fulfil the same features as enterprises: (1.) a competitive unit, which (2.) produces deliverables for third parties (3.) with the help of people or technologies and does so (4.) for money. Therefore, the theories and concepts of enterprise management are possibly applicable to destinations as well.

The way those aforementioned differing knowledge areas are analysed and combined to complete a picture for improved cross-border destination management is an initial step towards fortified success of heterogeneous, nationally diverse tourism areas in the future. The chapter is separated into twelve different internal destination management criteria, which are consolidated in an overview at the end. Before launching the main part of this chapter, it is important to briefly clarify a couple of points regarding the contents of the chapter:

• A finding by Enright and Newton’s study (2005) argues against a single, universal view of what drives tourism competitiveness and suggests that rather than a single policy prescription or strategy, destinations must take a more tailored approach to enhancing and developing tourism competitiveness. That explains why this research paper focuses on very distinctive cross-border destinations, which – until now – have not received attention with regards to their competitiveness and managerial set-up. Cross-border destinations require special treatment and a distinctive managerial framework with specific peculiarities. Equally, Enright and Newton’s statement also implies that the current research cannot be applied to any cross-border destination and should always be adjusted to match a particular destination’s profile. In the very dynamic tourism world, a one-size-fits-all approach is never realisable.

• While the competitive management criteria for cross-border destinations will be categorised explicitly into sub-chapters (and later in the overview into separate boxes), the criteria are all highly dependent and interlinked and should be looked at from a holistic point of view.

• A grading with symbols is applied highlighting each criterion’s significance specifically for cross-border destinations, which is explained in below figure. The symbols will reappear in the overview at the end of this chapter. Moreover, each sub-chapter concludes with a brief explanation regarding the level of significance for cross-border destinations.

<table>
<thead>
<tr>
<th>General importance for cross-border destinations.</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Particular importance for cross-border destinations.</td>
<td></td>
</tr>
<tr>
<td>Crucial importance for cross-border destinations.</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4 – Significance for cross-border destinations (own assortment)
It is important to note, that the criteria for the competitiveness of destinations in general cannot be rated for universal applicability (Enright and Newton, 2005) and their importance may also shift over time. If a rating is sought to be applied to a particular case study area, the research should be updated regularly to comply with shifting situational conditions. The criteria framework for this specific case presented at the end of this chapter shall, however, trigger the identification of managerial shortcomings for which priority listings would be desirable in order to tackle possible problems in a systematic way.

5.1 Organisational set-up

If an umbrella organisation responsible for various tasks is established, the situation – especially for cross-border tourism regions – can be improved. Those tasks may include the implementation of cross-border cooperation, definition of core businesses for the entire area, cross-border development and supervision of common activities (Hartmann, 2006). Differences in legal systems, modi operandi, practices, cultures and – sometimes – working language (Mission Opérationnelle Transfrontalière, 2006), need to be married at a unifying entity for effective tourism development, which Tosun et al. (2005) label a 'joint cross-border tourism organisation' (p.5). While those tasks and activities are explained in detail in the subsequent sub-chapters, the necessary set-up and structure of such an organisation will be explained first. This is an important aspect of destination management, which is indicated in the Ritchie and Crouch model (see, for example, Crouch, 2006), who incorporate ‘Organisation’ in their model on competitiveness. Apparently, the quality and strength of the destination's organisational structure can make a huge difference.

According to up-to-date academic literature, several managerial styles for organisations are shifting and will be increasingly important in the future.

To begin with, the organisational set-up should not be too bureaucratic, if an umbrella organisation seeks for higher competitiveness. Bureaucracy, according to Blatter (1997), may hinder innovation and pragmatic cooperative work, which are essential components for future success. A case study example conducted by Ferreira (2004) in Portugal, also indicated that strong bureaucratic management styles led to great obstacles in the development of tourism.

Academic literature suggests two types of organisations regarding bureaucracy (Robbins & DeCenzo, 2008):

- Mechanistic (high specialisation, formalisation and centralisation; rigid hierarchical relationships; fixed duties; many rules; formal communication channels; taller structures);
- Organic (low specialisation, formalisation and centralisation; vertical and horizontal collaboration; adaptable duties; few rules; flatter structures and informal communications).

Organic bureaucracy organisations are more successful in fostering innovation and competitiveness, due to their flexibility and adaptability, which is particularly important for the dynamic tourism world.

Rather centralised bureaucracies are shifting towards more decentralised and performance-driven management structures (Hales, 2006). Decentralisation implies pushing down authority to the lowest level and empowering lower level staff to make decisions on those things that affect their work (Robbins & DeCenzo, 2008). Moreover, there is a shift from fragmented, standardised
operating systems to more holistic, integrated forms of working (Hales, 2006). This type of organisational management could be connected to Pearce and Robinson’s (2009) so-called ‘boundaryless organisation’, in which organisational structure allows people to interface with others throughout the organisation without needing to wait for a hierarchy to regulate that interface. This certainly goes hand in hand with the chain of command, which should not be too strictly adhered to, as this could hinder an organisation’s performance (Robbins & DeCenzo, 2008).

Such new forms of management trigger adaptability and flexibility, which are crucial characteristics in today’s international business environment. Adaptability and the possibility to innovate are moreover fostered in a learning organisation, which features the capacity to continuously adapt and change, because all members take an active role in identifying and resolving work-related issues. In a learning organisation, the leadership should be based on a shared vision and collaboration, the information sharing should be open, timely and accurate and the organisational design should be boundaryless as explained above (Robbins & DeCenzo, 2008).

Furthermore, adaptive management can support an organisation in the competitive world of tourism. The concept entails the acceptance of uncertainty and the willingness to make mistakes and face the unknown based on shared understandings, good cooperation and integration, flexible and participatory processes and long-term planning (Reed, 2000).

Finally, the organisation’s competitiveness can be fortified through good governance principles, which should, ideally, be based on participation (of diverse groups and individuals); rule of law (fair legal frameworks, protection of human rights); transparency (information is freely available); responsiveness (institutions serve stakeholders in a timely manner); consensus orientation (mediation of different interests to reach agreement on what is in the best interest of the whole community); equity and inclusiveness (participatory process free from exclusion, empowering minorities to participate); effectiveness and efficiency (make the best use of resources to meet the need of the society, sustainable use of resources) and accountability (governmental and non-governmental interests are accountable to those who are affected by their decisions) (Dredge & Pforr, 2008).

The theories and concepts on the ‘organisational set-up’ of an organisation are of general importance for any type of destination. Hence, this managerial criterion is graded with general importance for cross-border destinations.

5.2 Human resource management (HRM)

People are the key success drivers (Heath, 2003). Human resources is one of those aspects, that, according to Timothy (1999 and 2001), is especially important for cross-border regions and collaborative management as it is linked to typical issues of borderlands. Borderland human resource management may include staff exchange and joint training efforts, which can encourage a more equitable and efficient management and improve the sharing and gaining of ideas and knowledge (Timothy, 1999). Hence, even competitive or comparative destinations can, via cooperation, learn from each other, get exposed to different view-points, and adapt better to shifting market trends.

Various models, concepts and theories in the tourism literature include the need for well-conceived human resource management or development, particularly when it comes to the competitiveness of destinations. Those research contributions include, for example, Crouch and Ritchie’s model with a focus on programs to produce trained industry employees (Crouch, 2006); Dwyer & Kim (2003) and
Dwyer et al. (2004, 2009), again, with the call for high quality training programs for innovative and effective workforce; or Presenza et al. (2005), who established ‘internal destination development activities’ in which human resource development is a quintessential aspect. New job training, retraining staff for new positions and assisting in developing new programs etc. are also part of this managerial pillar (Camner, 2005). Basically, all contributions share similar views on the effectiveness of specialised training, education and development of human resources towards greater international competitiveness.

Furthermore, employee involvement and empowerment is important in the increasingly global marketplace. Empowerment could imply, for example, letting employees plan their work themselves and encourage them to apply both initiative and own judgment to solve problems (Hales, 2006). Camner (2005) designates this the encouragement of ‘prudent risk-taking’, which could trigger employees to become ‘champions of change’. This could be further reinforced via a high job security, which implicates not being scared of making mistakes and getting fired (Robbins & DeCenzo, 2008).

The challenges facing the tourism industry will only be met successfully by a well-educated, well-trained, bright, energetic, multi-lingual and entrepreneurial workforce (Cooper, 1998, cited in Page, 2007), which points out the need for both knowledge and skills. Detailed and specialised knowledge is the most important qualification for achieving future objectives and to overcome possible shortcomings (Bieger & Weibel, 1998, cited in Pechlaner & Tschurtschenthaler, 2003). This represents a difficulty, which could be conquered through a cross-border organisation possessing the financial and technical resources or – at least – having the access to them. Employees should moreover possess several interpersonal and distinctive skills for working in a cross-border organisation. Those include, amongst others, cultural openness, self-confidence, inspiration, high energy and willingness to try out new things. Deresky (2008) argues that the competition in the 21st century requires managers to hold a global orientation to meet challenges, which is fortified in our cross-border research environment. Further conceptual skills and the ability of managers to see the broader picture and linkages to other business sectors (Page, 2007), as well as creative-thinking skills and intrinsic task motivation (Robbins & DeCenzo, 2008) are crucial characteristics.

Besides aforementioned aspects, incentives, social events (Robbins & DeCenzo, 2008), motivation, rewards and compensation (Camner, 2005) certainly present an avenue towards higher input by human resources, resulting in better quality output. Aspects covered in this and the preceding sub-chapter, such as empowerment, participative decision-making and a decentralised organisational structure, often lead to higher motivation and therewith creativity and imagination.

A final aspect for greater competitiveness based on the human resources of a cross-border destination management organisation constitutes a certain degree of variation and challenge. A new management approach is to enlarge rather than narrowing the scope of job activities and giving employees a variety of activities to fulfil, which could, according to Robbins and DeCenzo (2008), reduce boredom, fatigue, stress and low productivity. Rotating employees or creating broader multi-task jobs is another solution offered by Hales (2006).

As already explained, several theories and concepts of this sub-chapter are particularly important for cross-border destinations, such as staff exchange, joint training efforts, cultural sensitivity or a global orientation, which stimulates the researcher to categorise ‘human resource management’ as particular importance for cross-border destinations.
5.3 Tasks, roles and responsibilities

Within cross-border management, the definition and division of tasks and roles, supervision and leadership and the processes of decision-making constitute serious business.

According to Bieger et al. (2009) local DMOs must fulfil four main tasks, one of which is the coordination of activities. This is in line with the necessity of core business definitions for the entire area and the coordination of task distribution (Hartmann, 2006 and Wachowiak, 2006). Destinations in general and cross-border areas in particular have to fulfil a wide range of various tasks, such as destination promotion, info service, training and education, business advice, product ‘start-ups’, event development and management or research and development (WTO, 2007). It is then important to notice that the days are gone when each (local) organisation was able to observe all agendas. Division of tasks must also gain ground between the organisations, in order to guarantee long-term success of tourism (Pechlaner & Tschurtschenthaler, 2003). Hence, it is critical for the stakeholders of a cross-border destination to join hands in dividing tasks logically and as per everyone’s capabilities and strengths. It should be ensured that tasks are not duplicated and that consumers are not confused with differing messages.

In order to successfully implement tasks, a DMO should take on board the leadership and advocacy role (Bornhorst et al., 2010). The supervision of common activities of a cross-border destination (Hartmann, 2006) as well as the internal ones in the organisation itself should be well-conceived. Here, innovative management approaches require authority to go hand in hand with responsibility and accountability (Robbins & DeCenzo, 2008) and there is a shift away from ‘command and control’ to more loosely-defined cross-boundary leadership and coordination (Hales, 2006). As Deresky (2008) notices, effective leadership is crucial for a company to achieve its goals. The challenge, however, is to decide what is effective leadership in different international and mixed-culture situations.

Finally, within the framework of tasks and leadership, the decision making process plays another important role, which is of course directly linked to the two previous building blocks of organisational set-up and human resource management. Within highly fragmented destinations, it is crucial to acknowledge that regional and national authorities result in different decision making processes (Wachowiak, 2006), which should be understood and accepted, as well as discussed to establish a common ground.

As outlined in this sub-chapter, each aspect of ‘tasks, roles and responsibilities’ indicated a high relevance particularly for cross-border destinations and the particularities of managing those. Hence, the highest significance (crucial importance) is assigned to this internal management criterion by the author of this report.

5.4 Stakeholder management

The context analysis of this dissertation report has already provided a brief definition of stakeholders and presented a few examples of possible stakeholders of a destination management organisation. Therefore, this sub-chapter only focuses on the management of stakeholders and what this activity ideally should entail.
As Dwyer & Kim (2003) notice, the destination management organisation represents the **views of all stakeholders** and the **coordination** of them constitutes a crucial destination development activity (Presenza et al., 2005). This responsibility undoubtedly presents a highly complex one in fragmented, cross-border destinations and therefore requires careful management. It is, however, worth every effort as academics in tourism literature argue:

- Tourism destinations can enhance their competitiveness by bringing together the knowledge, expertise, capital and other resources of several stakeholders (Kotler, 1993 in Bramwell & Lane, 2000);
- ‘**Stakeholders can either provide the coordination to increase success, or cause fragmentation to reduce success**’ (Bornhorst et al., 2010, p.17);
- The competitiveness of each player is often interrelated and almost indistinguishable from one another (Buhalis, 2000);
- Failure to ensure and maintain a balance effectively jeopardises relationships between stakeholders, and threatens the achievement of the strategic objectives and the long-term competitiveness and prosperity of destinations (Dwyer et al., 2004);
- The (tourism) industry stands to gain significant returns in the long-term, if players proactively consider the interests of all other stakeholders (Sautter & Leisen, 1999);
- Close interaction between the public sector, the DMOs, the private sector and the local residents in planning is a key tenet of sustainable tourism (Jamal & Jamrozy, 2006).

Hence, stakeholders should represent an important strategic consideration at destination management level. This consideration should not only focus on the **identification of stakeholders**, but should moreover be dedicated to the **understanding of stakeholder claims**. This could assist the process of gaining insights into issues such as the intentions and interactions within the network of stakeholders, or their degree of satisfaction with the services rendered by the destination management organisation (d’Angella & Go, 2009). Those claims (or needs) should then be taken into consideration, particularly when it comes to strategy and mission formulation of the organisation (Pearce & Robinson, 2009).

**Constant communication with the stakeholders** is necessary in order to comply with the above. Regular meetings, briefings, discussions and idea exchanges would be desirable. According to Prokkola (2007), this is increasingly happening in cross-border areas, as there is a transformation of national borders from barriers into places of communication. Effective intercultural communication, which would be the case in management across borders, determines the success of a culturally diverse workforce. Here, it is essential to notice that communication often transmits culture and that differences in body language are acknowledged. Moreover, the development of cultural sensitivity, careful encoding, selective transmission, careful decoding, and follow-up actions should be guaranteed (Deresky, 2008).

While not incorporated in this research, the **community** always represents an important stakeholder as well. Tourism development should always be responsive to community needs (Dwyer et al., 2004) and the local residents should get the opportunity to benefit, to be integrated and to participate (Timothy, 2001). Within the cross-border literature, the Mission Opérationnelle Transfrontalière (2006) argues that a DMO should communicate with inhabitants about transfrontier strategies and
that they should be encouraged to express their views. This comprises a task, which might strengthen the competitive position in the future.

‘Stakeholder management’ certainly is a complex task in an international and cross-cultural environment and increasingly important for cross-border regions. Hence, this criterion is graded particular importance for cross-border regions.

The following sub-chapter is directly linked to stakeholder management and deepens the discussion towards the relationships between organisations and key stakeholders.

**5.5 Linkages**

*Tourism is a network industry ‘par excellence’* (Scott et al., 2008).

Once stakeholders of a destination are identified and their needs and potentials recognised, it is another challenge to **establish a relation**, a link, to them. There are different forms and possibilities of such links: Marketing consortia, strategic alliances, acquisitions, joint ventures, franchising (Page, 2007), combines (Ruddy and Flanagan, 2000) or, quite simply, cooperation within stakeholder networks. According to Bieger (2008) the bigger those networks and the more intense they are, the more effective they can be. Cooperation can be entered between different levels of government, between different organisations within the public sector and between public and private sectors (WTO, 2007).

**Why should organisations, associations or institutions collaborate in any of the aforementioned ways?** The **benefits** found in the academic literature are manifold and include, amongst others, the following:

- to make the destination management process more effective, professional, sustainable, binding and closer to the market (Hartmann, 2006);
- to minimise external threats and maximise shared opportunities for collective growth, rather than to confront the challenges of the future in isolation (Fyall et al., 2001 cited in Youcheng, 2008);
- to enhance competitiveness and to get mutual benefits (d'Angella & Go, 2009);
- to successfully implement joint tourism marketing growth strategies (Tosun et al., 2005) and to increase the scope of marketing, making it possible to enter markets that otherwise cannot be conquered (Lynch, 1993 cited in Vodeb, 2006);
- to share risks and to have the possibility of taking risks for certain opportunities that would not be taken in isolation;
- to create synergy, resulting from a combination of various resources;
- to increase sales and access larger markets due to distribution channels;
- to quicken the adjustment to new upcoming challenges (Lynch, 1993 cited in Vodeb, 2006);
- to foster principles of sustainability (equity, efficiency, integration, balance, harmony, ecological integrity) (Timothy, 2001);
- to improve the comparative economic advantage of neighbouring regions (Ioannides et al., 2006);
- to avoid duplication of resources (Australian Government, 2007).
While those advantages are obvious, a few disadvantages, or maybe ‘challenges’, may arise from cooperative management as well. Timothy (1999) argues that partnerships possibly delay actions as participating parties have to go through complex partnership procedures; they can moreover be costly and the effects might not compensate the efforts (Timothy, 2001). Disparities between sub-regions and possibly conflicting interests are other challenges mentioned by Blatter (1997). Further constraints may include political and cultural differences as well as administrative and organisational differences (Timothy, 2001).

Overcoming such difficulties and challenges would be particularly desirable for cross-border destinations. According to Prokkola (2007) national borderlands are developing into tourism landscapes and physical loci of cooperation. International cross-border partnerships possibly delineate the ultimate form of a cooperation, as more careful planning and formalisation are required (compared to linkages between stakeholders within the same country) (Timothy, 1999). Certainly the most frequently cited cross-border cooperation theory is the interaction typologies distinction developed by Timothy in 1999. The stages start with ‘Alienation’ in which little communication and no partnerships are common. Next ‘Coexistence’, ‘Cooperation’ and ‘Collaboration’ describe different stages of growing interaction, efforts to solve mutual problems and stabilise relations. The ultimate stage of interaction is ‘Integration’, in which very few hindrances exist and both sides are functionally united (Timothy, 1999; Timothy, 2001). Bieger (2008) believes that due to an increase in transboundary interaction contributing to greater levels of complementarity, frontier regions of today can progress from zones of alienation and competition to zones of integration and complementarity. Böhn (2004) even states that when one can profit from cooperation, a national border seems to be a minor problem.

Strategic partnerships in cross-border tourism collaboration are often seen to be the vehicles of accelerated development in borderland destinations. Provided that cooperation can lead to such fruitful developments, it might be interesting to gather a few short points on the maintenance of relations for greater competitiveness of fragmented destinations in the future. The following points will be helpful for destination management organisations to foster productive cooperation:

- the ability to accept legitimate differences of opinion and the willingness to resolve them through creative thinking;
- a sense of shared responsibility for decision-making and a sense of ownership of decisions;
- an understanding that collaboration evolves as partners develop better understanding and experience (Gray, 1989 cited in Reid et al., 2008);
- a common language for informal interaction and intensive communication, setting the basis for cooperation marked by trust and commitment;
- the interest with respect to problems, the capacity to solve problems and the political willingness to solve problems together (Blatter, 1997);
- the establishment of one organisation, which is responsible for the implementation of cross-border cooperation (Hartmann, 2006);
- the recognition of a high degree of interdependence and of individual and/or mutual benefits to be derived;
- a perception on behalf of all partners that decisions arrived at will be implemented;
- the formulation of aims and objectives (Roberts & Simpson, 2000)
• the move of businesses beyond their normal competitive instincts (UNWTOBC, 2003 cited in Reid et al., 2008);
• the creation of self-reliance and a feeling of belonging among a group of individuals with different backgrounds, abilities and capacities;
• joint interests and goals to keep the group together (Böhn, 2004);
• the ability of partners to learn, to protect their own competencies and to retain flexibility (Page, 2007);
• the treatment of collaborations as a personal commitment;
• the flexibility of partners as circumstances and conditions may shift;
• the appreciation of different cultures as well as mutual trust and respect (Adam cited in Bolson, 2005).

Finally, it should be said that partnerships cannot be taken for granted and should be continuously monitored and cultivated. According to the results of Caffyn’s (2000) research, partnerships run through a life cycle (similar to Butler’s TALC) and a deceleration phase of partnerships can represent potential risks.

It goes without saying that this strategic management criterion is of quintessential importance for cross-border destinations: various benefits listed are highly advantageous for international regions (e.g. synergy creation, collective growth etc.) and the significance of cross-border partnerships and interaction was outlined. Therefore, ‘linkages’ is graded crucial importance by the researcher.

5.6 Tourism strategy and planning

The tourism strategy and planning pillar is probably the most determining competitive attribute. For cross-border destinations, various aspects need to be discussed and agreed upon, which will steer the development of tourism in the future. Bornhorst et al. (2010), who compared various studies on destination management, realised that there is growing interest in academic literature on the policy and strategy dimension of destination management, which indicates the need for its consideration in the present research. This is also visible when comparing the often-cited models of Ritchie and Crouch from 1999 and their update from 2000. They included ‘Tourism Policy’ as a separate, major element of the model, as they felt that the destination management group of factors in earlier versions did not sufficiently cover critical policy, planning and development issues (Crouch, 2006). Poon (1993) calls for a greater strategic orientation by tourism destinations if they are to adjust to the competitive realities of ‘new’ tourism. She argues that competitive strategies are critically important for tourism destinations to sail a new tourism course (cited in Crouch & Ritchie, 1999).

According to Hartmann (2006), the highest aim of a destination management strategy is to ensure the enduring competitiveness of the destination, which indicates a difficult task demanding intensive stakeholder collaboration in border regions. Before developing a tourism strategy, it is important to assess the current situation of the overall setting in which tourism takes place. An extensive collection of what this should entail is provided by the WTO (2007). It has to be clear where the destination is at the moment. An analysis of the strengths, weaknesses, opportunities and threats (SWOT analysis), a situation analysis, in which the macro environment is assessed, and a competitor analysis present good starting points. The current trends possibly affecting the destination, current delivery gaps and challenges, market performance and an evaluation of resources are key targets of this initial stage (WTO, 2007).
Subsequently, it has to be agreed upon how the destination wants to develop in the future (WTO, 2007). This is usually formulated in a common vision, which, according to Crouch (2007) is a statement or understanding of a desired future. A shared or collective tourism vision amongst all stakeholders is a key success driver for competitiveness (Heath, 2003; WTO, 2007; Crouch & Ritchie, 1999).

It is then a prerequisite to determine how to achieve the desired future, for which strategic objectives will have to be formulated. Those objectives have to be understood by all stakeholders (Mission Opérationnelle Transfrontalière, 2006). The objectives should clearly contribute to achieving the vision; be realistic, achievable and measurable; take a holistic and integrated approach; and include both short and medium-term activities as well as long term planning (Australian Government, 2007). Robbins & DeCenzo (2008) further argue that objectives and goals should be difficult enough to require some stretching and effectively increase employee performance and organisational productivity. Moreover, employees should participate in goal setting and the goals should be prioritised.

For cross-border destinations, planning constitutes a vital aspect and special planning considerations are necessary. There is a certain necessity for collaborative planning, as destinations are perceived as a whole on behalf of the customer and therefore need to be planned as a whole, just like an enterprise. An umbrella planning system is essential (provided through a cross-border DMO for example), which sets the framework for development (Bieger, 2008). Timothy (2001) explains that it is significant to learn what is happening on the other side of the border. It would be desirable to try bringing together the different plans and to see where cooperation would be feasible in order to mitigate negative effects, while enhancing the benefits. Kios (1986, cited in Timothy, 2001) believes that the planning world does not end at the border. Hereby, differing planning traditions (e.g. participatory bottom-up vs. highly controlled, centralised top-down approaches) need to be taken into consideration (Timothy, 2001). The tourism plan is supposed to be flexible, adaptable and creative (Costa, 2006), which ameliorates the responsiveness to global trends in tourism.

Constructive participative planning has the ability to streamline procedures, increase efficiency (Currie et al., 2009), open up new opportunities, create innovative solutions (Youcheng, 2008), and increase continuity and cohesion amongst stakeholders. It basically provides a guiding hand to the direction, form and structure of tourism development and ensures that tourism development promotes a competitive and sustainable destination, herewith ensuring greater competitiveness (Crouch, 2007). The management literature further suggests higher profits from formal planning (Robbins & DeCenzo, 2008). For such benefits to occur, stakeholders ought to be consulted.

The ‘tourism strategy and planning’ criterion is undoubtedly an opportunity to enhance the competitiveness of each and every tourism destination. It yet deserves a particular significance for cross-border regions, due to certain aspects, such as common vision and collaborative planning.

**5.7 Marketing settings**

As the focus of the dissertation is on internal managerial aspects, one could argue that marketing should not be part of this chapter, as marketing undoubtedly illustrates externalisation per se. There are, however, certain aspects within the marketing framework – termed ‘settings’ here – that require
clear internal organisation and planning. Such marketing prerequisites are exceptionally important in cross-border destinations as explained below.

It is important to have a clear identity, before marketing strategies can be developed for a destination. The image to be created in the consumers’ minds must carry a content that most stakeholders at the destination can identify with. A common identity is therefore essential (Hartmann, 2006), which should be in line with Unique Selling Points (USPs) of the area. When the USPs are commonly accepted and the identity settled, managers can elaborate upon the distinctive positioning of the destination brand. ‘Positioning’ refers to where, in the mind of the tourist, the destination is located compared to its competitors. Crouch (2007) argues that destinations with a coherent and clear competitive position with strong supportive branding usually perform better in gaining the attention of potential tourists. An umbrella brand or theme for recognition and consistency would be a desirable target for cross-border destinations (WTO, 2007).

The following step in the marketing process is the formulation of a holistic marketing strategy. Such a strategy should be innovative (Heath, 2003) as marketing is not just about brochures and adverts (Page, 2007). Instead, modern marketing extends beyond promotion and selling to embrace all aspects of the marketing mix with a focus on satisfying visitor needs and wants as the primary aim of destination marketing. Marketing strategies should be increasingly targeted at certain markets and those key markets ought to be understood well so that relationships can be built (Dwyer et al., 2009). Moreover, it is important to continuously maintain a customer orientation in order to strengthen the ability to respond to shifting market demands (Hassan, 2000). This explains why marketing is directly linked to ongoing research (see 5.10) in which current and new emerging markets can be identified (Australian Government, 2007).

It is a common position amongst cross-border researchers that marketing activities in cooperation with other regions (or even countries) lead to an increase in competitiveness. This involves the cooperation in tourism marketing management, marketing planning, implementation and control of designed programs (Tosun et al., 2005). Even though each player has to give up some degree of national interest in planning and marketing efforts for the good of the greater unit (Timothy, 2001), higher degrees of efficiency, integration, balance, and harmony can be the result of marketing across boundaries (Timothy, 1999). According to various authors (Timothy, 1999; Tosun et al., 2005), collaboration can be particularly helpful in decreasing marketing budgets. Moreover, a wider audience can be reached, tourism potential can be maximised (Timothy, 2001) and a higher promotional impact on potential visitors can be gained (Palmer & Bejou, 1995). Greater diversification of products, creation of a ‘whole destination’, increased bargaining power of countries against tour operators and further opportunities for increased cooperation in other fields can be additional advantages (Tosun et al., 2005). A common website, cross-border events and product packaging across borders could be a good start in a new direction.

Various types of marketing tools must be tried and implemented. Those may include, amongst others, direct mail, direct sales, trade shows, print advertising, familiarisation tours, publications and brochures, events and festivals (Presenza et al., 2005), co-op ad programs, annual meetings, convention sales and ticket sales (Murdaugh, 2005). Moreover, the internet, social networks and e-marketing should be applied more aggressively (WTO, 2007). Another precious marketing tool, which is often underestimated, is word of mouth (WOM). It is important to accept its importance (Page, 2007) and reinforce its influence.
The message to be communicated can be manifold. It is increasingly obvious that for many people the feeling of going beyond their familiar environment to visit a place that can be culturally, politically and economically different, motivates them to cross a border (Bieger, 2008). It can therefore be argued that the inherent ‘border characteristic’ should be incorporated in promotions and strategies. This is in-line with Timothy’s viewpoint that promotional efforts can focus on the borderlands location as competitive advantage (Timothy, 2001).

Furthermore, Dwyer et al. (2009) state that emphasising the emotional benefits associated with a valued set of experiences is a modern approach to marketing.

The theories and concepts in this sub-chapter predominantly derive from cross-border academic literature and represent essential management tools when it comes to cross-border destinations. The common identity, the holistic marketing strategy and the marketing activities in cooperation amongst others indicate the necessity of marketing across boundaries. Therefore, ‘marketing settings’ receives crucial importance for cross-border destinations.

5.8 Innovation

Academics suggest the following towards defining the term innovation: change of some sort (Page, 2007); producing or selling a new product, service or process or continuous improvement (relentlessly trying to find ways to improve and enhance a company’s products and processes) (Pearce & Robinson, 2009).

As already touched upon in preceding sub-chapters, innovation and its implications bring along valuable advantages for the management of a destination and can add the necessary competitive supplementary in the very dynamic tourism world. It was explained that the organisational structure, for example ‘learning organisation’ and ‘organic organisation’ (Robbins & DeCenzo, 2008), human resources with a need for constant education and training (Dwyer et al., 2009) and more flexible and adaptable planning approaches (Costa, 2006) may constitute an increase of innovation potential (stimulators for innovation).

Tourism researchers argue that the need for innovation is rooted in the fact that the world is increasingly turbulent and rapidly changing (Dwyer et al., 2009), triggering extreme fluctuations in visitor arrivals (Russel, 2006) and consumer tastes (Page, 2007), as well as decreasing lead time to react to changes (European Tourism Research Institute, 2005). Hence, it is becoming ever more crucial to never stop learning (from consumers, competitors or employees), to boost radical innovation (Poon, 1993) and to continue combining knowledge, expertise and capital resources through collaborative management (Bramwell & Lane, 2000 cited in Youcheng, 2008).

Innovation can be applied in various directions and through diverse ways. Bieger (2008) suggests product, process, and market innovation to respond to strong international competition and Hjalager (2002) adds management, logistics and institutional innovations. Schumpeter (1952, cited in Page, 2007) was an early bird in identifying different types of innovation for the particular tourism case. He included the introduction of a new good or quality improvement of an existing good; the introduction of a new method of production; the opening of a new market; new sources of supply and the creation of a new type of industrial organisation. The amount of types of innovations certainly is too broad to go further into depth here, but it shows the various possibilities of organisations to apply innovation according to their specific needs.
Many researches combine the theory of innovation with new technologies as ‘push-factors’ (Hjalager, 2002). Deresky (2008) states that for global competitiveness the use of internet becomes important. This is supported by Buhalis (2000) who claims that particularly marketing can become more innovative through the application of new technologies and the internet. This can involve e-business, e-marketing and e-commerce (WTO, 2007).

A good example for innovation in tourism is Scotland with various ideas to trigger the innovative character of the country. Those incorporate, amongst others, the Scottish Tourism Innovation Group, a Tourism Innovation Day, a Tourism Innovation Toolkit, an Annual Innovation Development Award and a Destination Development Programme (Page, 2007). As those initiatives not only foster innovative thinking of industry players, but also stimulate teamwork and cooperation, such ideas could be very convenient for cross-border destinations.

A final note on innovation is required, underlining the need for continuous improvement rather than once off ‘set-and-forget’ activities (Australian Government, 2007).

The criterion ‘innovation’ and its discussed theories and concepts are of general importance for cross-border destinations as well as other, less-fragmented ones.

5.9 Spirit

The following sub-chapter was included by the author, as it contains aspects that were neglected in the majority of literature on competitiveness of destinations, but significantly pointed out in cross-border literature as well as international management literature.

To start with, the overall organisational culture of an enterprise or a DMO can have implications on the way employees work and act. The organisational culture is a set of important assumptions and beliefs or meanings (often unstated) that members of an organisation – or people identifying with the organisation – share in common. The organisational culture ideally should be based on strong mutual relationships, a sense of community and group emphasis as well as care and trust (Pearce & Robinson, 2009 and Robbins & DeCenzo, 2008). Moreover, ethical operations (Dwyer & Kim, 2003), business transparency (Enright & Newton, 2005) and clear, mutually agreed upon values, principles and management practices are quintessential characteristics of the organisational culture.

In cross-border enterprises another aspect is of particular relevance – a fact which is also applicable to cross-border destinations: cultural backgrounds. Culture is a sensitive and highly philosophical concept, which constantly requires a careful approach and well-conceived actions. Certain values, understandings and assumptions are usually passed down through generations and are therefore deeply embedded in every society (Deresky, 2008). Most commonly, this culture affects attitudes and behaviours, which need to be understood and appreciated by counterparts from other cultures. Stereotypes in a cross-culture business environment are out of place. Therefore, cultural sensitivity should be practiced and parochialism (assuming one’s own management techniques are best and should be followed) avoided (Deresky, 2008). This will reduce cross-cultural conflicts and ‘communication barriers’ (Timothy, 2000) and trigger fertile settings for synergies based on diverse attitudes and competencies (French, 2010). Furthermore, a feeling of belonging and greater self-reliance (Böhn, 2004) through strong group bonding could be the result. Based on such positive feelings, the efficiency of the organisation will rise towards greater competitiveness.
Besides organisational culture and cultural backgrounds, the following criteria appropriate for this topic were found in academic literature:

- **Shared interest** and **willingness to cooperate** is essential (Wachowiak, 2006);
- A **regional identity** among key players can increase motivation on common activities (Blatter, 1997);
- A common language allows for informal interaction and intensive communication (Blatter, 1997);
- Face-to-face contacts are important (Prokkola, 2007);
- Common problems on both sides of the border may provide a stimulus for cooperation (Prokkola, 2007);
- A **consultative management approach** can contribute to a general feeling of involvement and the belief that one’s views are significant, which, in turn, triggers **motivation and commitment** (Mason et al., 2000).

It is very obvious that the ‘spirit’ is of crucial importance considering the particularities of cross-border destinations. Theories mainly derive from cross-border literature and focus on cross-cultural features. Hence, it is rated highest significance (crucial importance) for cross-border regions.

### 5.10 Research and knowledge exchange

This sub-chapter briefly outlines the significance of tourism research, its useful contents and the implications of sharing information amongst stakeholders. For DMOs, conducting research is a typical, administrative role, which entails the collection of data and its analysis (Laws, 1995). It is always a competitive advantage to use multiple sources of information and to conduct research rather than relying on instinct (Camner, 2005). After diving into the existing literature, it is obvious that ‘research’ should be part of every model or framework on competitiveness: authors, such as Heath (2003), Dwyer et al. (2004), Page (2007) and Crouch (2007) incorporate it as a crucial managerial feature. The DMO’s task is to gather knowledge about forces of change ahead of time (European Tourism Research Institute, 2005) and to disseminate information gathered to its members on a timely basis (Crouch, 2007).

The content to be gathered through research can be diverse. Besides early **awareness of emerging trends** (political, economic, social, technological, demographic and environmental) (Dwyer et al., 2009), key **competitors can be identified** (Enright & Newton, 2005) and visitor needs understood for effective product development (Crouch, 2007). The Australian Government (2007) on the one hand, distinguishes here between **demand-side research**, including target market analysis on consumer expectations, satisfaction and perceptions or effectiveness of current marketing communications; and the **supply-side research**, which focuses on the assessment of tourism activities (e.g. products, services, experiences and partnerships). On the other hand, Nadler Trojan (2005) separates research into **destination research** (including visitor volume, market share, image etc.) and **DMO performance reporting** (representing sales volumes for example). Both concepts have their advantages and should therefore be considered further for destination management. With the help of profound research, organisational goals and policies can be set, a tourism master plan formulated and long-term marketing and operational plans implemented (Nadler Trojan, 2005). Particularly with regards to marketing, literature suggests an accumulation of positive results as well as strong linkages to
research. As this is going too much into detail, it is only referred to, for example, Buhalis (2000) for further reference.

Besides sheer research, this sub-chapter also covers the exchange of information and the sharing of experiences (Wachowiak, 2006) for enhanced competitiveness of destinations. This can be achieved via, for example, external relationships with other companies (Rodríguez-Díaz & Espino-Rodríguez, 2008). As already stated within the human resources framework, personnel exchanges and joint training efforts can trigger the share and gain of knowledge (Timothy, 1999). A nice explanation of current changes in the management of knowledge is provided by Scott et al. (2008), who argue that there is a shift from ‘knowledge is power’ to ‘sharing is power’. This creates, according to the authors, ‘communities of knowledge’ at the destination level. Such concepts could be fortified through the internet or destination knowledge portals (Scott, et al. 2008) and are particularly suitable for cross-border destinations.

Finally, it is important to note that research should be updated regularly and results should not be taken for granted for a longer time-frame.

The ‘research and knowledge exchange’ criterion incorporates many theories that are similarly important for all destinations. Since the active exchange of knowledge is underlined, a particular importance for cross-border destinations is indicated.

5.11 Resource management

Initially, this report was not going to elaborate upon resources of a destination, as they present another pillar of destination competitiveness outside the scope of this research. However, the extensive literature review revealed the importance and relevance of including ‘resource management’ in this theoretical compilation on cross-border destination competitiveness. Resources, in this context, include cultural, social and environmental ones.

Undoubtedly, with the era of sustainable tourism and the mushrooming of ‘green’ tourism concepts, many researchers underline the advantages of applying careful resource management at destinations. The Ritchie and Crouch model incorporates ‘resource stewardship’, which contains efforts to preserve fundamental qualities and assets (Crouch, 2007). The authors call it an ‘obligation’ to adopt a caring mentality when it comes to the precious resources of a destination, towards long-term ‘sustainable competitiveness’. The necessity of integrating resource management in models and concepts of destination competitiveness is also underlined by other authors (see for example Poon, 1993; Heath, 2003; Dwyer et al., 2009).

Within cross-border destinations, resource management requires joint management if a natural resource (e.g. a lake) is used by different countries. The protection of natural as well as cultural resources becomes a complex and important task if contrasting political systems and issues of sovereignty emerge (Timothy, 2001). The ideal situation for managing valuable resources across borders would constitute integrated management of the resources within the destination as a whole (Rodriguez-Díaz & Espino-Rodriguez, 2008). A common policy for shared resources would certainly simplify a cooperative management approach. Through combining valuable assets and selling a corporate cross-border product, such initiatives could be consolidated.
The concept of resource management asks for proper **visitor management**, which would imply the control of positive and negative impacts. In Crouch and Ritchie’s model, visitor management revolves the control of visitor numbers (where necessary) or behaviour (if applicable) (Crouch, 2007). Particularly the influence on tourists’ behaviour is, according to Laws (1995), an emerging concept of destinations. It is argued that the visitor management task calls for close industry cooperation and that DMOs should take the lead in coordinating such initiatives (Crouch, 2007).

Resource management can assume various shapes. Literature suggests **protective policy formulation** (Laws, 1995); **carrying capacity and limits of acceptable change** (Page, 2007); **sustainability principles** to reduce the environmental effects of operations (Dwyer et al., 2009); environmental **promotion programs** and environmental **education** (Hassan, 2000) as well as research and **monitoring environmental impacts** of tourism (Dwyer & Kim, 2003).

Similar to the research criterion, ‘resource management’ is classified particular significance for cross-border destinations. While a careful management of resources certainly can create a quintessential aspect of each and every region, the joint management with a common policy presents a complex task at cross-border level.

### 5.12 Control

The final building block represents the necessary controlling and monitoring activity, which ensures that **processes are regularly reviewed and results controlled**. This is to check whether these processes are accomplished as planned and – if necessary – to correct any significant deviations (Robbins & DeCenzo, 2008). According to the Australian Government (2007), this monitoring is of great importance in the light of constantly **changing circumstances**, both externally and within the destination. Through the monitoring and evaluation process, the effectiveness and impact of current policies and strategies can be assessed, which is necessary provided that, in the very dynamic tourism industry, forecasts and predictions are difficult, if not impossible (Crouch, 2007). The activity should be done – if possible – in close cooperation with other stakeholders. For DMOs it is beneficial when not only own programs, but also those of the members are controlled (Crouch, 2007).

The evaluation program should not only be concerned with the performance of strategies and processes, but also with the **performance of human resources**. This is particularly helpful as staff can easily **learn from mistakes** and perform better in the future (Page, 2007). Here, also training efforts as touched upon in sub-chapter 5.2 can be evaluated (Wachowiak, 2006).

Another topic fitting into this framework is the **delivery of quality**, which is an emerging concept of destinations (Laws, 1995). New managerial ideas involve **active listening to consumers** (Poon, 1993) and focusing on **enhancing the experience** (Heath, 2003). The experience, according to Crouch (2007), should ideally be an integrated one, assembled and delivered as a complete package through close collaboration of all stakeholders. If the visitor experience is ensured, increased satisfaction, delivered brand promise, increased repeat visitation and enhanced destination reputation (Australian Government, 2007) are the results. Hence, quality control should be made a priority of the monitoring process.

A final aspect within this broad topic of control is **risk and crisis management**, which implies the preparedness and capacity to deal with crises or disasters. Destinations that are able to respond more effectively or are even able to prevent or minimise them are certainly fortifying their
competitive position, which makes it a crucial responsibility for forward-thinking destinations (Crouch, 2007). Risk management strategies may include staff education or training to prepare them to act confidently and appropriately in case of a disaster (Dwyer et al., 2009). For cross-border destinations, a clear and comprehensive crisis management plan for the whole destination and all involved stakeholders might be a positive start.

The ‘control’ part should be adopted by the management of all destinations. Still, it includes one aspect, which is particularly important for cross-border destinations: the comprehensive management plan. Hence, again, particular importance for cross-border destinations is assigned to this internal strategic management criterion.

5.13 Summary and shortcoming

After an extensive literature consultation, the theories and concepts of destination management and marketing; cross-border areas and tourism; stakeholder management; collaboration, networking and partnerships in tourism; competitiveness of destinations as well as international and cross-cultural strategic management were compiled into twelve criteria. Those criteria are ‘Organisational set-up’, ‘Human resource management’, ‘Tasks, roles and responsibilities’, ‘Stakeholder management’, ‘Linkages’, ‘Tourism strategy and planning’, ‘Marketing settings’, ‘Innovation’, ‘Spirit’, ‘Research and knowledge exchange’, ‘Resource management’ and ‘Control’. While guided by existing theories, those particular internal management criteria were assembled by the author of this report and are by no means conclusive.

It can be argued that certain aspects were not taken into consideration, which was due to a limited research scope. The researcher acknowledges a few points that were not included in this literature review, but which could imply a certain degree of relevance when it comes to the competitiveness of destinations. Those include:

- **The political systems of countries.** Those are innate and difficult to adjust or adapt for the sake of tourism. Therefore, those differences are taken for granted and should simply be accepted by the various players. It is important that stakeholders are aware of the differences and are able to cope with them.

- **The infrastructure of a place.** This attribute is being put together with the resources or the product itself of a destination. While cross-border management of common infrastructural attributes might have been interesting, it was decided to leave that for further research in combination with the tourism product itself, which was not part of this dissertation.

- **Finance and funds of DMOs.** This certainly could present a thesis in itself and is probably needed for most of the existing themes. To not complicate the research situation, the financing part is not considered a managerial attribute and is simply taken for granted where necessary.

In a final step, the twelve internal strategic destination management criteria, the author attached importance to, are allocated in an overview on the following page (figure 5). Each box, while being strongly interlinked with the other boxes, plays its own little part in pushing a destination to higher levels.
Figure 5 – Overview of internal strategic destination management criteria

<table>
<thead>
<tr>
<th>Organisational Set-up</th>
<th>Human Resources Management</th>
<th>Tasks, Roles &amp; Responsibilities</th>
<th>Stakeholder Management</th>
<th>Linkages</th>
<th>Tourism Strategy &amp; Planning</th>
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<tbody>
<tr>
<td>• Organic bureaucracy</td>
<td>• Training, education &amp; development</td>
<td>• Coordination of activities</td>
<td>• Views of stakeholders</td>
<td>• Establishment of a relation</td>
<td>• Destination development strategy</td>
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<td>• Decentralisation</td>
<td>• Involvement &amp; empowerment</td>
<td>• Core business definitions</td>
<td>• Coordination</td>
<td>• Benefits of cooperation</td>
<td>• Assessment of current situation (SWOT)</td>
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<td>• Holistic, integrated management approach</td>
<td>• Knowledge &amp; skills</td>
<td>• Task distribution</td>
<td>• Identification of stakeholders</td>
<td>• Challenges of cooperation</td>
<td>• Common vision</td>
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<td>• Boundaryless organisation</td>
<td>• Incentives &amp; social events</td>
<td>• Leadership &amp; advocacy</td>
<td>• Understanding of stakeholders' claims</td>
<td>• Cross-border partnerships</td>
<td>• Strategic objectives</td>
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<td>• Chain of command</td>
<td>• Motivation</td>
<td>• Supervision</td>
<td>• Communication with stakeholders</td>
<td>• Maintenance of relations</td>
<td>• Participative goal setting</td>
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<td>• Learning organisation</td>
<td>• Rewards &amp; compensation</td>
<td>• Decision-making processes</td>
<td>• Community as a stakeholder</td>
<td>• Possible deceleration and continuation of relations</td>
<td>• Collaborative planning</td>
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<td>• Adaptive management</td>
<td>• Variation &amp; challenge</td>
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<td>• Good governance principles</td>
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<td>Marketing Settings</td>
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<td>• Image &amp; common identity based on USPs</td>
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<td>• Distinctive positioning</td>
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<td>• Umbrella brand / theme</td>
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<td>• Marketing strategy</td>
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<td>• Customer orientation</td>
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<td>• Marketing activities in cooperation</td>
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<td>• Marketing tools</td>
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<td>• Marketing message</td>
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<td>Innovation</td>
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<td>• Definition of innovation</td>
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<td>• Organisational structure, HR &amp; planning approaches as stimulators</td>
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<td>• Need for innovation</td>
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<td>• Types of innovation (e.g. product, market &amp; mgmt innovations)</td>
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<td>• New technologies</td>
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<td>• Continuous improvement</td>
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<td>Spirit</td>
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<td>• Organisational culture</td>
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<td>• Mutual relationships</td>
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<td>• Group emphasis, care &amp; trust</td>
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<td>• Values, principles &amp; management practices</td>
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<td>• Cultural backgrounds</td>
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Chapter 6 – The case study area: Lake Constance

The theoretical framework on internal strategic organisational destination management criteria for a greater international competitiveness of cross-border destinations was successfully established through an extensive and in-depth literature review in the first phase of this dissertation assignment. Towards bringing the second part of the research goal into practice, the compiled framework of criteria is tested in the second, empirical research part. This chapter briefly introduces the destination and its particularities, which make the case study area an interesting research target for this thesis. Subsequently, the theoretical framework is applied to the chosen cross-border destination (chapter seven).

In the context analysis, a clear explanation of a ‘cross-border destination’ for this research project was provided. In accordance with this explanation (see sub-chapter 2.1), combined with a variety of other factors, a suitable case study area was chosen: The Lake Constance destination.

The Lake Constance region in Central Europe is an area involving four countries (Germany, Austria, Liechtenstein and Switzerland), as indicted in the two pictures of figure 6. While Liechtenstein is not located directly on the lake, many institutions – such as the international tourism umbrella organisation ‘Internationale Bodensee Tourismus GmbH’ (in short: IBT) – include Liechtenstein in their strategic management. Therefore, Liechtenstein is also considered an important actor in this research.

![Figure 6 – Location of Lake Constance and close-up of the area (own adjustments from www.europeetravel.com/images and www.accommodation.bodensee-gastgeber.de)](image)

As stated in the 2009 Annual Report of the IBT, it is not easy to define the actual boundaries of the destination and to determine which areas belong to it and which do not (IBT, 2010c). An interview respondent also argued that the guest usually defines the region much smaller than the actors do. Moreover, the ‘sense of belonging’ often very much depends on the sentiments of the people living in certain regions, which underlines the complexity of the issue. For the sake of this research, the regions incorporated as shareholders of the IBT were chosen as primary research focus. Only a few non-shareholders from the Allgäu region were added to the research scope in order to collect different viewpoints.
According to Scherer (2010, cited in IBT, 2010a) as well as estimations from the HTWG University of Applied Sciences in Constance, the area consists of ten federal states, 41 counties / districts, 528 municipalities, 12 nationally-oriented tourism organisations, about 160 tourism organisations (mainly tourist information centres) and about 5000 experts in tourism. According to the CEO of the IBT, there are different tourism intensities around the lake and different tourism patterns. The major tourism hot spots are found along the German border, which is visualised in figure 7 (red spots indicate villages and attractions with tourism potential) (IBT, 2010d).

The four different countries are ‘unified through a natural occurrence with tourism potential’ (own definition), which is the lake itself in this case. The touristic activities go hand in hand with Timothy’s third typology of relationships between boundaries and tourism, and ‘extend across, or meet at, borders’ (1979, cited in Timothy, 2001, p.10). Tourism is of great importance for the region and represents an autonomous economic sector as well as many jobs (IBT, 2010d).

The national borders in this area of Europe certainly do not present barriers, but are open for visitors to move about freely. Without a doubt, visitors to the Lake Constance region do see the destination as a unified whole and do not distinguish between the Austrian, German or Swiss part of the lake (IBT, 2010a), which fulfils another criterion of the explanation of cross-border destinations in sub-chapter 2.1. Finally, the Lake Constance area shows many positive developments with regards to cooperation in tourism. This is primarily coordinated by the umbrella organisation IBT. The organisation will be a key focus of the empirical research part, which is explained in detail in chapter seven. It is important to note that the IBT is not termed a ‘DMO’ by tourism managers. It is argued that the IBT does not fulfil all requirements of a DMO (such as a booking system) and is hence only referred to as the cross-border umbrella organisation. All concepts and theories presented in the preceding chapter, however, are still relevant and applicable.

The IBT consist of a small team of ten employees, of which one is an intern, one a cooperative education student and one responsible for bookkeeping duties only. The remaining seven employees share marketing activities, service centre responsibilities or press tasks. The IBT further represents shareholders from different regions already touched upon in this chapter. Those include the administrative districts of Constance, Lake Constance, Lindau and ‘Oberschwaben Tourismus GmbH’ in Germany; ‘Vorarlberg Tourismus GmbH’ in Austria; the Principality of Liechtenstein as well as ‘St. Gallen Tourismus’, ‘Thurgau Tourismus’ and ‘Schaffhauserland Tourismus’ in Switzerland.

A few cross-border products, such as the Lake Constance circular walking track or the Lake Constance ‘Experience Card’, already exist. However, according to several touristic stakeholders, there should be more cross-border products in the future – an interesting point, which unfortunately is outside the scope of this research.
The Lake Constance area not only fulfils all criteria of the explanation in sub-chapter 2.1, but is of particular interest in this research context due to a few other characteristics as well. The European Union is active in the area with their EU-funded programme that helps Europe’s regions to form partnerships and to work together on common projects. The ‘INTERREG IV – Alpenrhein / Bodensee / Hochrhein’ (active from 2009 until 2011) became a partner of the IBT with public project management tenders for a more coordinated and consistent positioning of the brand ‘Lake Constance’. The three aims of INTERREG IV are convergence, competitiveness and cooperation (Faby, 2006) and the overall goal is the long-term competitiveness of the international destination Lake Constance (IBT, 2010a). These objectives suit the targets of this dissertation. The initial research was drafted in collaboration with the HTWG University of Applied Sciences in Constance and the IBT, who are both active on Module 4 of the INTERREG project, which is explained on the homepage of the project (www.dasbodenseeprojekt.eu). Module 4 seeks to analyse and establish new forms and models of organising and managing the international cross-border destination. A new organisational structure of the involved stakeholders around the lake should ideally facilitate a clear distribution of tasks and responsibilities (Bodenseeprojekt, 2010) and trigger a more strategic orientation towards greater international competitiveness (IBT, 2010b). It is quite obvious that the application of the theoretical framework for cross-border destinations in association with the Module 4 goal of developing a new organisational structure of stakeholders around the lake might assist the process towards greater competitiveness in the future.

Furthermore, the Lake Constance region certainly is homogeneous in a few aspects, such as language and history (see Hartmann, 2006), but the heterogeneity of the place is just as manifold with differing interests and views of key players, mentalities and culture, which makes the area a most challenging research target. According to the IBT (2010a), this heterogeneity produces specific conflicts, which make this destination incomparable to others. Furthermore, according to the CEO of the umbrella organisation, theories – until now – always failed in practice due to the region’s highly specific structures. Different interests of stakeholders, asymmetric resources, weak coordination instruments and a huge number of involved actors (IBT, 2010a) aggravate the situation at the lake. Again, those aspects produce further reasons for choosing this cross-border destination as a case study area.

Hartmann (2006) elaborates on this, saying that even a hundred years of experiences in cross-border cooperation do not simplify the implementation of a destination management process at Lake Constance. It remains a very complex task considering the necessary coordination and the strategic unification of tourism actors from four different nations. According to an interview respondent, the massive size of the destination certainly constitutes a formidable management challenge.
Chapter 7 – Empirical application of theoretical framework on case study area

While the preceding chapter merely described the particularities of the case study area and elucidated the distinctive reasons for choosing it, the following chapter will delineate the actual empirical research. The primary research was conducted as explained in chapter four (methodologies). Before launching the official part, however, the following has to be clarified:

The IBT was chosen as the major interview respondent. All twelve criteria of the theoretical framework were discussed with the cross-border umbrella organisation to check if theories and concepts of the framework are currently performed and – if so – how this is accomplished. In other words, all internal strategic destination management criteria were analysed with respect to the IBT. As already briefly touched upon in the methodologies chapter, the stakeholders did not receive the same questions and only certain aspects of the criteria framework were discussed. Those were chosen as per the criterion’s characteristic of cooperation/interaction with stakeholders or as per the stakeholder’s ability to give meaning and definition to the criterion. Hence, the definition of stakeholders of sub-chapter 2.2 was incorporated in this empirical research: ‘(The organisations that) interact with and give meaning and definition to the (destination)’. The themes discussed together with the stakeholders contained, amongst others, the following:

- Coordination of activities / task distribution
- Stakeholder cooperation and communication
- Pros and cons of cooperation
- Stakeholders’ tourism strategy and their particular vision
- Collaborative planning of stakeholders
- Image and identity of the case study area (as per the stakeholders’ perception)
- Stakeholder’s marketing strategy and tools
- Spirit amongst key players (trust, interest, commitment etc.)
- Research and knowledge exchange amongst stakeholders
- Actions taken by stakeholders regarding resource preservation or joint management of resources

An overview of the themes that were taken directly from the theoretical framework is provided at the end of Appendix III for further reference.

The results of the interview with the IBT, secondary data from the IBT as well as the stakeholder interviews are now recapitulatory combined and analysed as per each of the twelve criteria for internal strategic destination management. Some sub-chapters entail brief citations, which are direct, anonymous quotes taken from interviews with the stakeholders.

7.1 Organisational set-up

This managerial criterion has been tested solely with the IBT, as the purpose was to investigate the umbrella organisation’s structure and management approach. It was of great interest to the researcher to find out whether modern management styles are applied, which – according to the theoretical research – have the potential to push the cross-border destination to higher levels.
When it comes to bureaucracy within a company, the theoretical research identified two different types: mechanistic vs. organic. It seems that, with reference to the interview with the IBT, the organisation in question features characteristics of both. On the one hand, the organisation is highly centralised and revolves around a central figure (the CEO), which would imply a rather mechanistic organisation. A reason for this centralisation might be missing levels of employees between the CEO and the other lower level employees, which requires the CEO’s accordance with decisions and her presence at meetings. The IBT as an organisation in itself – so not with reference to its stakeholders – is a little world away from a decentralised management structure. On the other hand, the company has rather low specialisation schemes, few rules, flat structures, adaptable duties and informal communications. This again is clearly indicative of an organic organisation and could be due to the very small team available (as explained in chapter six).

The departments within the IBT are not easily dividable, which requires employees to actively help and support each other through working on similar tasks. An organigram is currently developed to achieve a clearer organisation and a division of responsibilities amongst employees in the future, which is not very subtle at this stage. Therefore, the organisation does not appear as a very standardised company. This hints at a rather holistic, integrated form of working and it seems that the IBT represents a ‘boundaryless organisation’, which is very positive when it comes to the future development of the company. This goes hand in hand with a rather short chain of command due to few management levels. However, while displaying a short chain of command in this flat organisational structure, it seems that the chain of command is still strictly adhered to. This again implies stumbling blocks on the way to the boundaryless organisation per se.

From above characteristics it is questionable whether the IBT can be considered a ‘learning organisation’: while employees have a wide spectrum of responsibilities and do have to show individual initiative, the flexibility and adaptability is certainly reduced, again, by the high involvement of the centralised figure – the CEO. The organisational structure is still going into the right direction, as employees are getting familiarised with all processes so that they understand the actions of the CEO, which implies that adaptive management is practiced.

The IBT does not have any formulated governance principles or a code of conduct. It seems, however, that employees get along well and that the management approach is based on transparency and participation. Whether the other principles of good governance – rule of law, responsiveness, consensus orientation, equity & inclusiveness, effectiveness & efficiency and accountability – are incorporated in everyday work cannot be testified at this stage.

7.2 Human resource management (HRM)

Just like the former strategic destination management criterion, HRM was analysed only with the IBT. Within the umbrella organisation, the role of managing HR is currently accomplished by the CEO. Secondary literature states that development, reorientation and adjustment of the IBT with regards to human resources are objectives of the INTERREG project (IBT 2010b). This could indicate the need to further professionalise HRM within the umbrella organisation.
Even though not much time is available, the General Manager – since recently – takes time for the leadership role and accomplishes ‘Team Coaching’ sessions together with an external coach. Those sessions are very positive as they serve the amelioration of conflicts and internal communications. Besides those team coaching sessions, **specialised training efforts and educational measurements** do not seem to be in existence. In terms of **cooperative educational activities** together with other stakeholders of the destination, the interviewee mentions an annual tourism forum, which – until now – only entails one-way lectures. It could be an option to extend those forums to interactive workshops towards integrating the wider audience and further developing skills of employees, according to the CEO of the IBT. However, a clear concept for this idea (including financing of such workshops) is missing at this stage. Another tool was recently introduced on the homepage of the INTERREG project, in which technical terms are explained and can be discussed amongst the different players. Unfortunately, it is not yet used by the stakeholders, but might positively influence educational efforts in the future. Particularly when it comes to the interpretation of professional terminology, certain shortcomings exist according to many stakeholders. The definition of, for instance, ‘destination management organisations’ triggers different interpretations from country to country. This challenge is intensified due to many non-tourism experts involved in the tourism management of Lake Constance. Those would have to be trained in order to establish a common base for discussion, which was suggested by one of the interviewed stakeholders. Real cooperative training options do not exist and – according to the researcher – it is not taken advantage of the potential for professional HR development, which would improve the tourism management situation around the lake.

When it comes to **employee involvement and empowerment**, it can be stated that the employees are highly involved and are getting familiarised with all processes so that they understand the actions of the CEO and the directions of the company. As already said before, however, empowerment is only feasible up to a certain point: while the employees do have many responsibilities, the CEO’s accordance on all important decisions remains.

Regarding social **events and incentives**, such initiatives are reduced to the team coaching sessions. It appears that no time or resources are available for this task, which would be important according to literature as well as both quotes in this sub-chapter provided from different stakeholders. Whether **rewards and compensation** programs are implemented, is not clear.

According to the CEO, employees are challenged a lot in this small organisation and **variation of work** is provided via a large scope of activities. It appears that boredom and low productivity at the IBT are no issue at all. Rather, stress and an overload of work could lead to difficulties. Based on the researcher’s intuition, the employees have to be very tough and hard-working, enthusiastic people. This, undoubtedly, incorporates advantages as well as disadvantages. The CEO believes that within the IBT, the identification with the tasks on behalf of the employees has to be extremely high for a responsible team member. Responsibility and a sense of obligation for the tasks and roles within the team are important in order to provide good quality work with the small team available.
7.3 Tasks, roles and responsibilities

First and foremost, it seems that this management criterion implies complex issues, which are currently approached via the INTERREG positioning project. A strong wish for a clear task division and the goal of realigning tasks and activities of the IBT (IBT 2010b) might change the current situation in the near future. Hence, the research outcomes discussed in this sub-chapter might have to be updated again soon. At the moment, the IBT conducts a wide range of tasks including brand development, coordination of supply and projects, development of cross-border products, information provision for guests, marketing platform provision, cooperation with partners and lobbying activities amongst others (IBT, 2010a).

Within the IBT, the CEO is responsible for the **coordination of all tasks and activities** as well as for all strategic decisions. It appears that the tasks are manifold and that the CEO’s role is not focussed enough on the delegation of tasks amongst team members. An issue, which is fortified through the fact that partners or other stakeholders in the region often expect the CEO to be present at meetings and to be involved in all projects. It appears that other responsible employees of the IBT are sometimes not accepted by the stakeholders.

As already explained in the previous sub-chapters, the workload for all employees is very high. Here, a central problem is **the lack of structured core business definitions** and the **absence of task division** and distribution. Tasks are currently not passed on to other stakeholders, but stay centralised with the IBT. Moreover, according to one stakeholder of the IBT, too many tasks are currently accomplished for the German part of the lake as they lack a coordinating body, which the IBT tries to compensate for. This difficulty is acknowledged by stakeholders from all countries, including Germany. Furthermore, some players seem to delegate responsibilities away to the IBT, coupled with the wish ‘to have fewer tasks to perform in the future once the IBT is strengthened’ (quote from an interview). Some roles and responsibilities should be pushed down to regional levels and accomplished by other stakeholders, who are accepted by everyone. This would generate two-folded advantages: less pressure of an overload of tasks for IBT employees as well as decentralised responsibility coupled with a greater involvement of stakeholders in the region (including the other countries). Ideas in line with proposed practices from theory are currently developed via the positioning project. It will be interesting to keep track of this development to check whether real task distribution at Lake Constance is feasible.

Another problem within the task distribution framework was mentioned by a stakeholder: sometimes activities in the region run in parallel (e.g. the establishment of maps), while cooperation would make more sense and reduce the workload. The interview respondent argued that there is sometimes no awareness regarding what is done on the other side of the lake, which certainly shouldn’t be the case in such a unified destination. The IBT already identified this problem and listed ‘untuned task division’ as another issue to be actively approached via the positioning project (IBT 2010e).

**Decision-making** processes are set by the CEO together with the committee or Board of Directors. Important decisions (e.g. marketing strategy) need to be accepted by the committee and their commitment and support is crucial. The shareholders are therefore involved in the decision-making processes, which is very positive as it ensures that all regions take their stake. It is still argued by
some stakeholders, however, that the superior coordinating and initiating role of the IBT could be stronger.

7.4 Stakeholder management

The theoretical part of stakeholder management has successfully demonstrated the versatile benefits of meaningfully coordinating destination stakeholders and triggering cooperative efforts. It was outlined that this criterion is a complicated, but rewarding task for cross-border tourism managers.

To start with, it is essential to identify stakeholders and to possibly classify them into groups. While the IBT does not have a written definition or classification of their stakeholders, the CEO and her assistant list the following during the interview: the hoteliers, the owners of tourist attractions, mayors, cantonal parliaments (political bodies) and shareholders as well as guests and local communities. The local communities were therefore also included in recent surveys conducted via the positioning project. In an area with such high tourism numbers, it is crucial to involve the local community, as they frequently are against tourism developments (according to the CEO). ‘Nature’ is not incorporated and no strategic management exists for this rather normative type of stakeholder. Touristic actors, political bodies and economical players would be the umbrella terms according to Mrs. Stein.

The IBT has ten shareholders, who are consulted during shareholder assemblies. Moreover, the Board of Directors plays an important role, which lives on consultation and cooperation. Depending on the measurements to be taken, smaller actors are also involved and consulted (those may include, for example, small tourist information centres). According to the CEO of the IBT, all decisions ranging from strategic actions to price settlements are fine-tuned with concerned stakeholders, which would imply that views of stakeholders are always considered carefully. There are, however, voices from a few stakeholders claiming that due to structural reforms of the IBT from an association to a company, some tourist information centres feel less perceived and integrated than before. Moreover, based on conversations with many stakeholders, it is clear that the task of incorporating stakeholder views and claims in the daily routines of tourism management generally appears to be a masterpiece of complexity in this destination. The interests and opinions regarding tourism of the different regions vary a lot, conflicts arise regularly, working traditions are divergent, nationalism sometimes dominate discussions or actors do not effectively work towards the same end and choose to do their own thing instead. Aforementioned difficulties might be improved through the joint positioning project. It still remains inevitable to classify the understanding of everyone’s claims and the balancing of conflicting stakeholder views primary targets of the IBT in the near future, which is further discussed in the recommendations chapter.

Theory designated border areas the emerging ‘places of communication’. Whether this holds true for the case study region in Central Europe was tested during the empirical research. In connection with the positioning project, the wish for clear communication was formulated (IBT 2010b), which points at possible shortcomings at the moment regarding this managerial aspect. A couple of stakeholders mentioned that the communication is partly very slow and that it often takes a lot of time until mutual agreements are reached. The communication tools that are applied amongst stakeholders vary. According to the IBT, communication is predominantly made via regular personal sessions, which is necessary in such a complex and heterogeneous destination. Moreover, as already touched
upon before, there is a general requirement of a constant and trustworthy contact person on behalf of the stakeholders, which often has to be the CEO. The most positive communication tool, according to the researcher, is the annual tourism forum, in which positioning, future orientation, trends and best-practice examples are discussed with more than 200 tourism actors. This forum constitutes a beneficial networking platform for the stakeholders. According to the CEO, resources are currently missing to supervise social media, which could be an option for the future communication amongst key players. An online forum for the INTERREG project was recently launched, but it is not actively utilised at the moment. Some smaller regions do have successful online platforms, which might counteract the implementation of an active idea exchange on the IBT’s intranet. A variety of tools were mentioned in the interviews with the stakeholders. While all actors actively make use of telephone and e-mail contact, many highly value interactive, personal communication via meetings, workshops and casual get-togethers. The personal relations are regarded the most important stakeholder management tool, which has the ability to create fast communication channels. According to one interview respondent, those relations currently foster the cross-border communication, which was rather impossible in earlier times.

7.5 Linkages

For the following criterion, the relations between the stakeholders around Lake Constance were investigated. To begin with, the research at the case study area has revealed that the destination’s managers have recently agreed upon a very specific concept with regards to cooperation: As the different stakeholders want to ‘win’ the customers for their product, ‘coopetition’ (competition + cooperation) is more likely to exist than sheer cooperation. According to a private sector player, this is reinforced by a large portfolio of high quality products around the lake with a continuously growing offer and – at the same time – rather stable guest numbers in the past 25 years. This self-evidently triggers the competitive position of companies. It is now part of the INTERREG project and the new organisational model to balance competition and cooperation as good as possible in the future (IBT, 2010a).

There remains, however, high cooperation willingness amongst the stakeholders and many acknowledge the variety of advantages accompanying cooperation in tourism. Quite a few interview respondents even claimed that, for them, only benefits were visible and disadvantages did not exist. Strategic management concepts excluding cooperation are outdated according to one private sector player. For a cooperation to be successful, certain requirements mentioned during stakeholder interviews are essential. Those include similar interests, goals, working mentalities and attitudes as well as clear agreements. Moreover, actors have to invest into the relations and it should always be based on a win-win situation for all involved stakeholders. A tourism manager explained that such win-win situations could imply that products complement each other logically and each is getting more attractive via cooperation efforts.

The most cited advantages of successful cooperation include attraction of more guests (especially
international guests); greater communication channels via regional or international networks; more opportunities and information for guests; greater level of awareness; presentation of the destination as one entity; increase of power and strength; financial support; ideas and know-how exchange; diversified marketing opportunities; attraction of funding programmes from EU and share of manpower. One interview respondent stated that for all those benefits to occur on an international level, a well-functioning, coordinating umbrella brand steering the processes would be required. A few advantages suggested in the theoretical part, particularly those not related to marketing or direct economic benefits, were not mentioned at all. Those include, for example, a more effective and professional destination management process; minimisation of threats and maximisation of opportunities; enhancing competitiveness; risk sharing; enhancement of equity, integration, balance, harmony, etc. and avoidance of duplication of work.

During the interviews, **disadvantages** were listed as well, most of which were very much in line with the challenges suggested by academic literature. The one cited the most was differing and sometimes incompatible structures of tourism, which are basically divided into DMOs (in Switzerland and Austria) and tourist information centres (in Germany). Besides those, challenges include differing expectations from cooperation; difficulty of getting everyone at one table; other players ‘stealing ideas’ if they are shared; differing formal rules; diverging understanding of tourism terms; more complex and time-consuming processes; many meetings necessary for consensus; smaller themes and interests important for certain regions may get lost at international level as emphasis is usually laid on a few major themes; benefits to be shared with others; more costs for organising the cooperation and taking care of it; different levels of tourism development around the lake and the fact that some aspects concern players to differing degrees.

Irrespective of the benefits or challenges of cooperation, the stakeholders described their **relations and the tasks they tend to share** with each other. The overall lists of all tasks added up present a wide scope of different activities, representing the existence of a few very fruitful linkages:

- Mutually tackling problems together;
- Direct connection of employees to communicate regularly;
- Help and support during hard times;
- Marketing cooperation, promotional efforts, mutual market appearance;
- Cooperative trade-fair appearance;
- Ticketing purposes, kombi-ticketing and packages;
- Congress alliances or ‘Bodensee Meeting’ network;
- Project-related cooperation (e.g. during EURO2008™);
- Theme-based collaboration (e.g. ‘hiking’ or ‘family’ theme);
- Cross-border events (e.g. 3 countries marathon);
- Organisational tasks sharing;
- Creation of door-to-door experiences (during the Festspiel in Austria for instance);
- Sharing of information, knowledge and experiences;
- Cooperation at strategic level with regards to policy formulation;
- Product cooperation;
- Common guest card;
- Cross-sectoral cooperation (e.g. with agricultural sector);
- Consultant role.
Towards maintaining existing relations, it appears that stakeholders around the lake show a high commitment and accept responsibility for their partners. Cooperating actors usually arrive at decisions together; they trust each other and are eager to jointly tackle difficulties. However, certain aspects that literature dedicated importance to do not seem to be given: they usually do not feel a high interdependence and competitive instincts are seldom surpassed, which causes various conflicts. It appears that, based on the findings, those cross-border cooperation that do exist at the moment, reach Timothy’s ‘Collaboration’ typology. This implies that cross-border relations are usually stable and joint efforts well established. For the ‘Integration’ typology, too many boundary-related hindrances still exist and the regions cannot be considered ‘functionally merged’ (Timothy, 1999). Concluding this section, it has to be underlined that while existing cross-border partnerships can be allocated the ‘Collaboration’ typology (which is relatively high), too many opportunities for more partnerships remain unexploited, representing a rather ‘Coexisting’ typology (with minimal levels of partnerships) (Timothy, 1999).

7.6 Tourism strategy and planning

The tourism strategy and planning criterion is an interesting research target at Lake Constance, because a lot of activities have been activated in recent times. The positioning project defined the ‘unclear strategy’ as a key issue and set defined tourism principles and strategy as targets for the completion of the project (IBT, 2010e).

Within the strategic management, up until now, only a short marketing strategy was formulated in a marketing plan, which was approached on a rather operational level. In the context of the positioning project, a tourism strategy is currently developed for a more professional, long-term planning. For this strategy, the shareholders are responsible and the overall process is fulfilled in a very cooperative manner – an essential aspect when it comes to strategy elaboration (according to academic literature). At the moment, a SWOT analysis of the region is developed based on an extensive data analysis (e.g. guests and service provider surveys; workshops; interviews etc.) (IBT, 2010d). In this process of assessing the current situation, various committees are included towards receiving the accordance of the stakeholders. For the IBT, it is crucial that actors outside of their organisation and also outside of the tourism industry are actively supporting the future strategy of the Lake Constance region, so that decisions and processes are based on a common philosophy.

The fundamental idea and guiding principle of the IBT is ‘Individually strong. Collectively successful.’ (IBT, 2010c). Current ideas with regards to the strategic line-up are structured into different spheres of activities including tourism function, tourism types, touristic regions, path of development, patterns of growth and extension of seasons. Each activity is equipped with an overall (research) question and set goals, which are based on collected data. As an example, the development path seeks to increase tourism in a quantitative as well as qualitative way, which means both growing arrival numbers and growing added value per guest (IBT, 2010d). According to the researcher, the formulated goals and objectives are not (yet) made measurable for facilitated future orientation.
It was checked with the stakeholders of the IBT, whether they had tourism plans themselves, what vision they have for the tourism industry of the region and if they were planning in a cooperative manner with other actors. This research part was an interesting one, as – according to a shareholder quoted in the Annual Report of the IBT – the different tourism regions do not effectively work together or plan cooperatively with the IBT (IBT, 2010c). From the interviews different sentiments emerged. The regional umbrella organisations as well as the larger private players had formulated **tourism strategies including visions and strategic objectives**. In the majority of cases, those were formulated through consultation of local key players in the region through participative workshops. The visions often stated to become the number one or pioneer in a certain business portfolio or to position the region away from its competitors based on specific USPs. Vorarlberg Tourismus appeared to have formulated a very professional strategic paper, which steers the direction of all players in the Austrian region. Here, the internationalisation of the target market presented a crucial target. This might not be supported by other stakeholders around the lake, who mainly target the traditional German key markets instead of, for instance, Eastern Europe. The smaller players either take part in the regional strategies or reduce their strategic orientation to an annual marketing plan with fixed budgets. Several smaller players claim that the strategic direction is still lacking due to minimised support from political entities or a missing appreciation of the economic value of tourism in some areas. Others moreover stated that due to political limitations, the long-term vision of tourism is sometimes lacking.

The visions for the Lake Constance region, on behalf of the stakeholders, included a fortification of the international brand as one entity; openness towards breaking out in a new direction (e.g. approaching upcoming markets); transparent management; extended seasons; more intense cooperation; more aggressive promotion of day tourism; growth of business tourism; development of experience tourism; strengthening of the strategic international level and – generally – keeping track of the current direction, which is considered very profitable by most stakeholders.

Concluding this section, it can be underlined that the vision and objectives have to be fine-tuned with all involved stakeholders, which seems to be not (yet) happening to its full potential: The fundamental idea of the strategy together with tuned directions and target markets are still partly lacking according to some interview respondents.

### 7.7 Marketing settings

The marketing settings criterion was actively investigated with the IBT and the interviewed stakeholders. According to the IBT, marketing is a clear focus of the tasks accomplished by the umbrella organisation, which points at the importance of the internal organisation and planning of marketing settings. To start with, literature suggested a **common identity** in order to position, brand and market the destination. During the interviews with the stakeholders, each actor was asked to name three words, which they directly link to the Lake Constance region. The following ‘word cloud’ was established by the researcher, which visualises the terms that were mentioned and their frequency (letter size). The word cloud illustrates that a lot of ‘characteristics’ of the destination were listed in conformity and those that were not, still complement well with the others. It appears that the following word cloud presents an overall picture that most actors could identify with. It is very positive that a similar process for the definition of the identity is currently conducted by academic institutions via the INTERREG project. The results of this research will be utilised for the positioning of the lake at a later stage of the INTERREG project.
Towards analysing the terms that represent the identity based on the thoughts of interview respondents during the empirical research, the USPs ideally should revolve the border characteristic (as some interview respondents underlined) and those differentiating the region from other surrounding tourism places. Fine-tuning this activity certainly lies in the hands of the IBT and its stakeholders, who know the area best.

When it comes to the image, which the stakeholders currently seek to convey via their marketing activities, the procedures vary: while some argue that the image is in line with their perceived identity, others claim to go into a different direction towards marketing their specific USPs of their region (e.g. traditional or historic themes; special attractions; conference locations, family friendly region etc.). One shareholder argues that too much efforts are laid towards establishing own regional brands, while neglecting the corporate brand (IBT, 2010c).

It has to be stated that it will be important for the marketing of Lake Constance, that potential, especially international, customers do not get overwhelmed or even confused with very differing marketing messages sent by smaller players. Instead, the images created by smaller regions should fit under the umbrella brand and the themes created by the IBT, working towards the same goal (as mentioned by one stakeholder): to get customers to the region. If this is done in a good way, the overall intention of the IBT and the INTERREG project with regards to marketing can be ensured: while an umbrella brand with corporate themes is one of the goals for the future, the
regional particularities are still to be underlined.

Hence, the marketing activities with different USPs conducted by smaller players are therefore not considered a negative aspect by the researcher. The idea of having on concise umbrella brand under which strong smaller brands can coexist is already successfully planned in the Allgäu region and could therefore also work at the international cross-border level. Moreover, such activities go hand in hand with the diversity characteristic, which the destination stands for. To sum up, the strategic marketing of the IBT is going into the right direction.

With reference to the umbrella brand for the overall region, the CEO stated that such developments seem to be supported by the majority of stakeholders. This is in line with statements from shareholders in the Annual Report of the IBT (IBT, 2010c) and was moreover confirmed during the interviews with the stakeholders: according to them, the region cannot be seen as a compilation of smaller parts – it is one entity, which should be marketed as such. This will, according to all interviewed respondents, foster the overall competitiveness of the Lake Constance region. The majority is positive that a strong overall brand will be advantageous for their particular region as well. One stakeholder mentioned that for this overall brand to be successful, it will be of great importance that all key players around the lake develop a personal identification with the lake as one entity, which is in line with the theoretical framework.

A new marketing strategy is currently developed via the INTERREG project, which will be based on investigated values and identity. It is already clear that the strategy will be a ‘soft continuation’ of what is currently practiced, instead of a ‘hard reorientation’ according to IBT documents (IBT, 2010d). As theory suggests, the strategy should be innovative, focus on consumer needs, be targeted at specific markets, include emotional benefits and follow upcoming trends. It is to be seen if such theoretical suggestions will be implemented in the current process.

At the moment, the IBT’s marketing initiatives incorporate established themes (e.g. culture; vital / active; indulgence / culinary; nature) and various tools are applied. According to the annual report, the IBT manages and organises press trips, PR events, trade-fairs (e.g. ITB), road shows, events, cooperative promotion projects and product developments. Social media, such as twitter, flickr and facebook are planned for 2010 (IBT, 2010c). Positive effects of applying social media in marketing were already visible at the ‘Festspielhaus Bregenz’ as well as ‘Vorarlberg Tourmus’. The homepage of the IBT might need a makeovr towards appearing more professional and modern if compared to other homepages of tourism players. The private sector player ‘Pfänderbahn’ in Bregenz, for example, offers information in 25 different languages, while the IBT only offers German and English. Finally, social engagements are not done by the IBT even though they can be a very effective marketing tool, which the ‘Festspielhaus’ is already implementing successfully.

According to the IBT, current marketing initiatives are done in a cooperative manner and even smaller players receive the opportunity to get involved. This is ensured through a special promotion pool for stakeholders to cooperate in marketing activities, which many stakeholders are actively utilising. If this is further developed towards involving all stakeholders in the whole marketing process (including the planning and control of marketing programs), the destination will be able to profit from the advantages listed in the theoretical part of this report.

As already touched upon, the message certainly should entail the cross-border characteristic. One stakeholder explained that the guest doesn’t see the differences between various municipalities and
only perceives the destination as one whole entity. The interview respondent moreover believes that the innate border characteristic as well as the different currency in Switzerland can actually be a bonus for the region. The fact that mentalities vary greatly is a positive characteristic of the international destination.

7.8 Innovation

The following criterion was only explored through the in-depth interview with the manager of the IBT. While the term ‘innovation’ is not (yet) defined and formulated in a strategic paper, the IBT seeks to establish a criteria catalogue for upcoming ideas. This catalogue will supposedly verify product and project ideas and indicate whether an involvement of the IBT will be of use. Such a catalogue is necessary, according to the interviewee, as – up until now – no yardstick is available for measuring and evaluating new ideas. Moreover, a new idea doesn’t necessarily have to be suitable, which has to be taken into account. The same also goes for repositioning efforts, as they have to be evaluated first with reference to their applicability with the existing image of the destination, as explained by the IBT.

According to the CEO, the cross-border organisation ‘is innovative within its possible borders’. With the resources available, the IBT launches innovative ideas, such as guerrilla marketing. This certainly implies product and market innovations. The application of new technologies – as far as the researcher is concerned – has the potential to be professionalised and approached more.

With regards to the circumstances necessary to boost innovative thoughts within a company, the IBT generally possesses positive as well as negative characteristics. The organisational structure is very centralised and implies not a lot of flexibility and adaptability; the human resources are not actively trained and the overall planning approaches still appear too strict to foster innovation. At the moment, innovation at the IBT is not actively accomplished for overall strategic business purposes. Instead, brainstorming sessions are done for triggering innovative ideas on an operational level for specifically formulated needs. According to the CEO, enough new ideas are available for the small team at hand.

7.9 Spirit

As the spirit criterion was included by the author of this thesis even though it hasn’t been part of the literature on competitiveness of destinations, the investigation was of particular interest to the researcher. While a few aspects were only tested with the IBT, the majority of this criterion research was sentiments and attitudes of all stakeholders towards each other and their common identity.

Based on the interview with the IBT, it can be stated that a Code of Conduct or Corporate Governance paper, values or principles for the organisational culture are not formulated at this stage. Only within the team coaching sessions, the way (or manner) in which tasks are accomplished is discussed.

While the IBT supposedly is an international enterprise, it remains a German company. Hence, cultural backgrounds within the IBT are not taken into consideration, as only Germans are willing to
work for a German company due to better salaries in Switzerland or Austria. According to the CEO of the IBT, it could indeed help to overcome cultural challenges if the workforce would constitute the perfect mix of all nationalities, but this is not feasible for the IBT at this stage. If at all, interns sometimes have different cultural backgrounds, but usually start working – after their internship – for the other countries again.

Nevertheless, the IBT remains an enterprise that is active in a multi-cultural, international destination. Hence, cultural attitudes remain extremely important and cannot be neglected for future success. Based on the interview with the IBT, it appears that traditions in working with each other are divergent and that mentalities simply are not the same. According to the CEO, nationalisms are still extremely dominant, which make cross-cultural cooperation a challenging task. Also, from the interviews with the stakeholders, the highly impeding parochialism sometimes became apparent (particularly in relation to diverging structures of tourism in each country).

The relations and sentiments between the actors are worth a cross-border manager’s undivided attention. As already touched upon in sub-chapter 7.5, the tourism management at the destination constitutes a coopetition. The stakeholders were asked to classify the other actors, particularly in the other countries, into partners, competitors or even rivals. About 74 percent confirmed the idea of coopetition in tourism at Lake Constance. The remaining 26 percent see the other private and public players as partners, who pursue the same goals. Moreover, many wish to see the partner role growing in the future. This is not directly in line with the statement that cooperation willingness is not always provided, which was designated a destination management problem in May 2010 (IBT, 2010a). It appears that the willingness generally exists, but other obstacles currently hinder better cooperation. Those obstacles were already discussed in section 7.5.

Positive sentiments regarding the spirit amongst stakeholders were collected via the interviews and included the following: rather trustful relations (especially within their regions); mutual support in terms of representing each other; creation of mutual benefits; feeling of being in need of each other; intense, friendly relations amongst neighbouring regions; positive dependency, as some projects might be impossible for single players; familiarity amongst neighbouring regions; active exchange; openness; positive give-and-take principle; learning from each other and complementing each other.

Again, the Lake Constance region sits on the fence with regards to existing theories and concepts, as conflicts are still very much apparent. Conflicts arise due to the heterogeneity of the providers and suppliers as well as different interests (IBT, 2010a). It seems that individual interests currently still outbalance the collective thoughts, which is also stated in one of the conference papers of the positioning project (IBT, 2010e). The group emphasis still has to be strengthened. Aforementioned positive thoughts were moreover predominantly mentioned in relation to neighbouring regions. When it comes to stakeholders in other countries or regions further away, the sentiments were rather neutral. As one stakeholder designated the issue: ‘It seems that the lake simply is between us and separates the regions’. In such situations, contact is not frequent and is basically reduced to meetings organised via the IBT, which doesn’t foster personal, trustful relations.

The regional identity of the stakeholders represents another, dichotomous criterion. On the one hand, it appears very fortified in the areas close-by the lake. Here, nearly each interview respondent mentioned the lake or the water when it came to the identity of the overall region and people felt that they are a part of the overall region (IBT, 2010c). On the other hand, however, a few regional
German umbrella organisations have members that do not feel attached to the lake at all. The whole region presents a partner of the IBT, but some of the regions’ stakeholders do not see the advantages from those partnerships (for which they are actually paying). This self-evidently creates problems. For example, within the administrative district of Lindau, stakeholders are two-parted between the lake and the Allgäu, which is resource-wise a huge issue. The ones in the middle cannot decide where to take part, as budgets are too small to be active in both.

7.10 Research and knowledge exchange

The following managerial criterion was again tested with all stakeholders. Regarding trend analysis, the IBT conducts market research and specific topic-related research. They are member of ‘Destinations Management Monitor Austria’ (www.dmma.at), which focuses on trends within Austria. According to the CEO, those trends are often applicable to the area as well. Moreover, tourism barometers, travel analyses etc. are browsed on a frequent basis, which shows that the IBT is very active in collecting data from multiple sources of information. Since recently, available numbers from the ‘Lake Constance Experience Card’, the destination’s only cross-border tourism product, are analysed. This investigation fosters the knowledge on origins of guests and the way they are moving around the lake and moreover presents sales volumes for the DMO performance reporting. Furthermore, the INTERREG project supports many academically monitored investigations around the lake, which trigger knowledge creation on demand- and supply-side. Generally speaking, the IBT appears to do a lot when it comes to the research theme.

However, there are points of improvements: the differences in the way data is measured in each country present difficulties for the international organisation, according to the CEO. It is basically impossible for them to combine available numbers, which is a shame. There is, however, another INTERREG project (‘Statistik Plattform Bodensee’ coordinated by the Internationale Bodensee Konferenz), which targets the development of statistics at Lake Constance towards receiving more tangible, economical numbers and to harmonise different measurements of existing data. Tourism is part of the project and the IBT is a partner. This might improve the current research situation in the area of tourism.

With regards to research implemented by the stakeholders, it turned out that different sources of information were approached and various players were active in conducting their own research projects. For example, some work together with the German tourism association, others with the German, Austrian or Swiss tourism board and many small players retrieve information from their regional umbrella organisations (e.g. Bavaria, Baden-Wuerttemberg or Allgäu). Furthermore, a few very active players (e.g. Mainau GmbH, Vorarlberg Tourismus and Festspielhaus) run projects with academic institutions for very specific research questions or SWOT analyses. Others read specialist magazines or browse the internet themselves to stay informed. A few stakeholders suggested being well-informed regarding trends, because information on homepages is available in many languages, facebook pages are established for special events or iPhone Apps are included online. Others claim that one would have to be trend-setter instead of follower and the majority agrees that there is always potential to be more up-to-date.
The smaller players claim to lack resources to conduct proper research as budgets and personnel are lacking. According to one stakeholder, there should be more options for smaller regional organisations to get easier access to information and research publications. It appears that many actors in the region turn to various sources of information and common research is hardly applied.

According to the IBT, knowledge and experiences are exchanged with other stakeholders, but it could be done more proactively. Too often, the stakeholders seem to hide knowledge from other actors due to rivaling thoughts. Nevertheless, the IBT (together with its stakeholders) is developing a more active exchange via the tourism forum in 2009, which was run along the lines of ‘learning from each other’. Here, trends, future scenarios etc. were actively discussed (IBT, 2010c). With reference to the interviewed stakeholders, a similar tendency became apparent: while many claim to be very open in sharing their knowledge and experiences (‘secrets in the industry do not exist’), the majority does so solely at regional level. Those regional partners are working in such close cooperation that no competition could be declared. Here, strategies are discussed jointly and research platforms are established. So, what if this ‘sharing is power’ attitude is extended to the international level? Would they stay that open? Which thought would gain the upper hand: competition or cooperation? Or both? Others, again, admit that some strategically applicable information is not there to be shared and is kept for themselves. It is to be seen how the platforms offered at IBT level are developing in the future and if real ‘communities of knowledge’ are feasible in this area. As another stakeholder explained, there is no better consultant than a colleague facing similar challenges. Hence, such opportunities cannot be utilised enough.

7.11 Resource management

Through the empirical research it was investigated whether the IBT is active regarding the protection of resources and if measurements are taken in cooperation with other stakeholders. According to the CEO of the IBT, there is a company that exists since 1959 (IGKB), which acts on an international level and protects the water of the lake. Since its launch, the IGKB is active on a cross-border level involving all countries and representing a positive cooperation. The IBT is not involved in the resource protection programme and, moreover, the IGKB is not directly related to tourism. Another organisation, the ‘Bodensee Stiftung’, is a foundation for nature conservation, which actively promotes sustainable practices and re-naturalisation programmes on an international cross-border level. Again, there is no cooperation with the IBT at this stage. Other active promotion or education programmes are also not accomplished by the IBT.

After having a closer look at the stakeholders of the IBT, it appears that opinions and activities differ greatly. A few stakeholders do not see the necessity to be active in this field or cannot allocate resources to such activities. However, unlike the IBT and a few stakeholders, the majority – notwithstanding size (and therefore budgets!) nor geographical regions – is quite active when it comes to the protection of the natural resources. Targets and projects of stakeholders include CO2-free vacation; e-mobility; thematic, educational walking paths; reforestation programs; utilisation of regional products (e.g. in restaurants); ‘green meetings’ or zoning programs for guests.

Some organisations, such as the Mainau GmbH or the Festspielhaus, are receiving environmental certificates (e.g. öko-profit), for which strict environmental standards are adhered to. The Mainau
GmbH, for instance, seeks to get independent from energy and already 50 % of its vehicles are running on gas. The stakeholders that do see great potential in energy savings and nature protection, have written down their future environmental goals in their strategic management plan and are eager to receive further certificates in the future. Even smaller players – such as the municipality of Wasserburg – received the European Energy Award and are now trying to develop an ecological star for the landlords, who offer accommodation in the region. A very positive project is the ProKlima project run by the ‘Ferienregion Nördlicher Bodensee’ – again a tiny player with great efforts for a CO2-reduced vacation!

According to one interview respondent, a negative aspect for the entire region is the fact that several smaller regions are not easily accessible via public transport and many guests are highly dependent on their private vehicle. According to her, improvements of the public transport network are essential. This in line with observations from the researcher: there are no train lines or bus transfers that would carry tourists all around the lake.

In terms of cooperation in conservation, the active stakeholders usually cooperate with nature conversation organisations, local energy companies, universities or other tourism actors in the same region. Others have created platform project groups seeking to raise understanding and awareness of the discussion surrounding sustainability and to conduct concrete projects. The CEO from Vorarlberg Tourismus explained that for such projects it is of great importance to collaborate with other sectors outside tourism. Hence, cooperation for resource management should ideally not only incorporate cross-border partnerships, but also present cross-sectoral ones.

### 7.12 Control

Here, only simplistic forms of controlling are done by the IBT, in which certain numbers are evaluated. This includes discussions of the tourism performance with other actors during the annual tourism forum at Lake Constance. The INTERREG project will supposedly facilitate a more active controlling activity for evaluating international tourism numbers for example. This would foster explicitly formulated objectives (e.g. reaching a certain number of visitors from a specific target market within a given time spam) and professionalise the review processes in the future. Particularly the assessment of strategic decisions will be of primary importance to check if current developments in line with the INTERREG project are on the right track. The same goes for human resource performance evaluation, which is not accomplished at this stage. Whether those control processes will be successfully implemented should be re-evaluated at a later stage.

Currently, no specific, strategic orientation exists in terms of quality control measurements. Again, this represents a ‘construction site’ for further professionalization towards greater competitiveness in the future.

According to the CEO of the IBT, the cross-border umbrella organisation does not have any form of crisis or risk management plan. She acknowledges its possible usefulness though, as the bird flu and floods already struck the area in the past. Those incidents only triggered certain reactive actions, but nothing was proactively approached. While certain private players around the lake do have crisis
management plans and are more active in the monitoring process (e.g. the Graf Zeppelin Haus), the IBT – in coordination with its stakeholders – still has a few tasks to accomplish.

Subsequently, the application of the theoretical framework on internal managerial destination management criteria will lead to a few concluding thoughts by the researcher. At the end, those will be transferred into recommendations suitable for the cross-border destination to gain a highly competitive edge in the future.
Chapter 8 – Conclusions

‘The age of competitive identity has come’ (Anholt, 2007, p.19), stretching destination managers to their limits in search of the destination’s relative competitiveness. The context analysis raised the question of how this challenge can be actively approached.

Under the present circumstances it can be claimed, that for the case study destination at hand, the criteria framework based on theories and concepts from a variety of academic fields turned out to be a relevant gateway and perfectly applicable for empirical investigations. In the present study, the internal destination management was not just an ‘add-on’ accompanying other competitive attributes, but received the researcher’s best attention. Furthermore, the study combined the destination management of cross-border regions with the competitiveness of destinations. An approach, which might be a small but right step towards filling one of the ‘serious gaps’ of the tourism and borders literature and which has the potential to be helpful for a cross-border destination in Central Europe. At the current stage, no adjustments for the applicability of the theoretical framework can be suggested.

The research at Lake Constance unveiled that the diverse aspects from theory can be subdivided into three different categories:

1. Aspects that are currently performed well in line with best practice examples from literature;
2. Aspects implicating managerial shortcomings, which are actively approached at the moment or in the near future (primarily due to the INTERREG project);
3. Aspects constituting managerial deficiencies according to academic literature, which are not addressed.

The findings are briefly summarised as per those three categories. The third category, undoubtedly, will be of greatest interest and recommendations will be formulated for this particular category in the subsequent chapter number nine.

Category 1

While certain managerial aspects can be designated ‘positive’ at the moment, it has to be underlined that in the dynamic world of tourism they still deserve managers’ full attention and should be monitored frequently in order to maintain competitiveness. At the current stage, however, the researcher cannot criticise the following destination management actions. Within the organisational set-up, the flat structure, the informal communication and other organic characteristics coupled with an integrated form of working and a short chain of command of the IBT are in line with literature’s best-practice examples towards fostering innovation and competitiveness. Moreover, the adaptive, transparent and participative management approach should continue to be practiced at the umbrella organisation for facing the unknown future within the world of tourism.

Furthermore, the team coaching sessions as well as the involvement and empowerment of employees is following innovative management principles. The fact that a great variation of work is provided for the employees is considered beneficial, triggering a reduction of boredom and low productivity.
When it comes to the decision-making processes, the IBT already successfully integrates shareholders and ensures that mutual agreements are reached for important decisions. Regarding the stakeholder management criterion, the IBT should continue to involve the local community as a stakeholder and further deepen their importance. The established consultative and cooperative relation with the shareholders as well as the involvement of smaller actors in different situations is a favourable step. Towards fortifying the communication and networking amongst the stakeholders of the IBT, the annual tourism forum should be kept, if not extended. Finally, while nationalism is present, intercultural communication in terms of cultural sensitivity does not seem to present any problems.

According to the researcher, high willingness for cooperation could be felt on part of the tourism actors. This was coupled with the acknowledgement of cooperation advantages and a long list of various tasks currently shared amongst stakeholders, representing positive development within the linkages criterion. The maintenance of existing relations represented by responsibility and commitment is paradigmatic and the scaled ‘Collaboration’ typology can be seen as a competitive advantage.

The fundamental guiding principle of the IBT (‘Individually strong. Collectively successful.’) should be continuously lived in the future, as this is considered highly positive by the researcher. Within the strategy and planning framework, the integrative policy formulation of the IBT’s stakeholders with their local players is classified a great step towards being collectively successful in the future.

The common identity within the marketing settings criterion linked with the appreciation of a potential umbrella brand amongst all players presents a competitive edge for the cross-border destination. The marketing activities, applied tools and established themes from the IBT as well as the promotion pool and the opportunity for stakeholders to get involved strengthen this position. Ideally, the corporate marketing activities and a corporate branding for recognition and consistency will continue to support the competitive positioning in the minds of the consumers.

It is moreover assessed very beneficial that the IBT is eager to produce innovations (especially product and marketing innovations) with the small team at hand and that many new ideas are generated. Regarding the spirit criterion, the very positive sentiments amongst stakeholders around the lake are an important milestone towards fortifying the competitiveness of the cross-border destination.

Furthermore, the IBT deserves compliments for actively utilising a wide range of available research tools, which appears to spill over to the majority of stakeholders (or the other way round). The tourism actors appear well established when it comes to research in tourism. One can moreover emphasise that the majority of private as well as public players around the lake indicates a great commitment to environmental conservation.

**Category 2**

The second category incorporates aspects that do imply shortcomings for which amelioration plans exist. It has to be underlined, however, that not all plans are professionally formulated steps towards improving the current situation. Instead, some are plans simply mentioned by respondents during the interviews, which indicates that those cannot be taken for granted and should be monitored on a long-term basis.
Category 2 includes an organigram with clearer organisation and division of responsibilities; the establishment of cooperative educational activities via the tourism forum and the improvement of diverging understandings of tourism terminology. Moreover, the INTERREG project seeks to fine-tune the task division around the lake and to balance conflicting stakeholder views regarding opposing interests and opinions in the future. Clearer communication and the usage of an online forum are further key targets of the INTERREG project.

It will be a challenging task for the IBT and its stakeholders to balance cooperation and competition and to ensure important requirements for fruitful partnerships (e.g. mutual goals and expectations), which are currently approached. At the moment, the researcher can say that the stakeholders provide coordination, but also cause fragmentation, which possibly may reduce success in the future.

Within the strategy and planning framework, the majority of concepts fit into the second category: via the positioning project, an assessment of the current situation, a tourism strategy with a clear vision and mutually agreed objectives and a marketing strategy are formulated. Furthermore, the identity and image investigations and the compilation of USPs for a competitive umbrella brand are going into the right direction.

With reference to innovation, the targeted criteria catalogue on behalf of the IBT is very beneficial. Also, the plans for further research to establish more tangible tourism data as well as a more proactive knowledge exchange (via the tourism forum) might polish the competitive advantages of the region. Finally, new ideas for professionalising the controlling and review processes might support the strategic positioning of the Lake Constance destination.

**Category 3**

The final category contains those managerial deficiencies for which no plans exist (yet), leading the reader to the recommendations of this research project.

First of all, the organisational set-up revealed a few drawbacks: the organisation is too centralised on the CEO, the chain of command is rigorously adhered to and the flexibility and adaptability of the employees is restricted by the very dominant role of the CEO.

Another disadvantage emerged in the human resource criterion. Here, specialised training efforts or educational workshops etc. inside the company do not exist. According to academic literature, such training efforts are highly effective on the road to greater competitiveness. Educational programs are not yet extended to train non-tourism experts around Lake Constance, who are active in the tourism industry (e.g. politicians). The fact that the approval of the CEO is a prerequisite in all processes constitutes a further restriction of human resource management inside the IBT. This inevitably doesn’t allow employees to become ‘champions of change’ or to take certain risks, which reduces their personal initiative and innovative actions. Finally, events and incentives are not planned at this stage, which – according to academic literature – could trigger higher input resulting in better quality output.

The task, roles and responsibility criterion is closely linked to the organisational set-up and the HRM. Again, the strong role of the CEO of the umbrella organisation affects the responsibility criterion, because it appears rather impedimental that the CEO has to be at each important meeting. Hence,
there is no delegation of responsibility at this stage. Furthermore, it was stated by stakeholders that the coordinating and initiating role of the IBT could be fortified.

With regards to stakeholder management, the drawbacks include that no definition of stakeholders in a strategic management paper exists; that nature is not included and that some stakeholders (tourist information centres) feel less perceived. Identifying stakeholders, understanding their claims and acting as to their specific needs will be a quintessential challenge of this cross-border umbrella organisation. Towards extending the discussion to all stakeholders (within the linkages criterion), another shortcoming is presented when looking at the degree of interdependency and the willingness to move beyond competitive instincts, which currently exists only to a small extend. Finally, the potential of cross-border partnerships – the ultimate form of partnerships according to literature – is not sufficiently exploited, which hinders the competitive appearance of the destination as one entity.

As the cross-border management organisation should present a lobbying body, the drawback of smaller players lacking strategic direction and long-term vision due to reduced attention by political parties could become part of the IBT in the future. This could possibly support the professional development of its smaller stakeholders, which is crucial if destinations seek to sail the new tourism course.

Within the marketing criterion certain hindrances exist on the way to greater competitiveness: on behalf of the stakeholders, still too much effort is laid on establishing own, regional brands; the homepage of the IBT does not appear very professional; social engagement is not targeted at the moment; stakeholders are not yet involved in the planning and controlling phase of marketing initiatives and it is questionable whether the new marketing message will clearly focus on the cross-border characteristic for competitive advantages.

Similar to the stakeholder criterion, no definition of ‘innovation’ and what this would entail for the IBT exists in a strategic paper. The whole process of incorporating innovation at destination management level could moreover be professionalised by actively utilising new technologies and setting better internal conditions for stimulating innovation from inside the company (e.g. more flexibility). In the increasingly turbulent world of tourism, such strategic orientation will become unavoidable for competitive destinations in the future.

The spirit amongst key players of cross-border destinations was attached ‘considerable significance’ in academic literature. The organisational culture at IBT level currently lacks assumptions, beliefs and meanings in a code of conduct or similar paper. Furthermore, cultural differences, prevalent parochialism, diverging working traditions and mentalities coupled with only German employees at IBT level, hinder a strong group bonding of stakeholders and evoke conflicts in daily routines. This is particularly true for players further away from each other, which should be amended for future development. Finally, the regional identification of players with the Lake Constance destination, which can increase motivation and common activities (according to literature), is not entirely provided when it comes to those actors further away from the lake.

Within the research framework, it is a deficiency that smaller players sometimes do not have access to research data due to lack of resources as well as the fact that no common research is currently accomplished. The same goes for the exchange of knowledge, which can contribute to enhanced
competitiveness. Here, only regional exchange is actively conducted and ‘communities of knowledge’ at international level do not exist (yet).

While many stakeholders constitute role models in resource preservation, the IBT completely lacks initiatives in this direction, which implies that such cross-border activities within the tourism sector do not exist. For example, no proper visitor management exists (only one small region seeks zoning projects in the future) and no ‘limits of acceptable change’ (LAC) standards are utilised. As such initiatives could foster the long-term ‘sustainable competitiveness’ of a destination, it would be disadvantageous to stick to such a disposition.

Finally, within the control framework, the IBT lacks professional measurements in the emerging concept of quality control. Moreover, the preparation and capacity to deal with crises and disasters is currently not provided given the absence of a professional (comprehensive, cross-border) crisis management plan.

Below, the key points of category 1, 2 and 3 are briefly summarised in line with the order of the twelve criteria.

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Category 2</th>
<th>Category 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat structures, informal communication, short chain of command</td>
<td>Active task sharing</td>
<td>Centralised organisation</td>
</tr>
<tr>
<td>Adaptive, transparent &amp; participative management</td>
<td>Maintenance of existing relations</td>
<td>Strict chain of command</td>
</tr>
<tr>
<td>Team coaching sessions, involvement &amp; empowerment</td>
<td>Collaboration typology</td>
<td>Restricted flexibility &amp; adaptability</td>
</tr>
<tr>
<td>Variation of work</td>
<td>Integrative policy formulation</td>
<td>No tourism experts active in tourism</td>
</tr>
<tr>
<td>Integrated decision-making</td>
<td>Common identity</td>
<td>'Champions of change' or risk taking</td>
</tr>
<tr>
<td>Involvement of community</td>
<td>Marketing activities, tools &amp; themes</td>
<td>Events and incentives lacking</td>
</tr>
<tr>
<td>Annual Tourism Forum</td>
<td>Product &amp; market innovations</td>
<td>No delegation of responsibilities</td>
</tr>
<tr>
<td>Cooperation willingness</td>
<td>Positive sentiments amongst stakeholders</td>
<td>Coordinating &amp; initiating role of IBT to be fortified</td>
</tr>
<tr>
<td>Benefits of cooperation</td>
<td>Utilisation of research tools</td>
<td>No definition of stakeholders</td>
</tr>
<tr>
<td></td>
<td>Environmental protection on behalf of stakeholders</td>
<td>Nature neglected as stakeholder</td>
</tr>
</tbody>
</table>

Below, the key points of category 1, 2 and 3 are briefly summarised in line with the order of the twelve criteria.

1. Flat structures, informal communication, short chain of command
   - Adaptive, transparent & participative management
   - Team coaching sessions, involvement & empowerment
   - Variation of work
   - Integrated decision-making
   - Involvement of community
   - Annual Tourism Forum
   - Cooperation willingness
   - Benefits of cooperation
2. Clearer internal organisation and task division
   - Tourism forum for cooperative education
   - Fine-tuned task division
   - Balance of conflicting stakeholder views
   - Clearer communication & utilisation of online forum
   - Balance cooperation and competition
   - Assessment of current situation
   - Formulation of tourism strategy with clear vision
3. Establishment of marketing strategy based on USPs
   - Identity & image investigations
   - Establishment of criteria catalogue for innovations
   - Professionalization of tourism research data
   - Strengthening proactive knowledge exchange
   - Improvement of controlling and review processes

4. Focus on own regional branding
   - IBT homepage; social engagement & marketing message to be improved
   - Strategic innovation processes lacking
   - No Code of Conduct or similar paper exists
   - Conflicts in daily routines
   - Identification with lake sometimes missing
   - No common research & smaller players lacking access to research
   - International ‘communities of knowledge’ missing
   - No cross-border resource preservation
   - No professional quality control
   - No crisis / risk management plan
In a final approach, the concluding thoughts of the researcher will be narrowed down again towards combining aforementioned category 1, 2 and 3 characteristics with the respective significance for cross-border destinations. The grid on the following page will help to quickly locate those characteristics that need the most attention: those inside category three and within those criteria with crucial importance for cross-border destinations.

<table>
<thead>
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<td>- Coordinating &amp; initiating role of IBT to be fortified</td>
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</tr>
<tr>
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<td></td>
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</table>

Figure 10 – Symbiosis: Categories and cross-border significance (own assortment)
Chapter 9 – Recommendations to case study area

The following chapter will briefly outline a few recommendations to the case study area and the actors involved in tourism at Lake Constance. As explained in the conclusions, recommendations will only be compiled for category 3 attributes. It remains nevertheless essential to recommend the following to the category 1 and 2 characteristics:

- All elements classified in category 1 are currently going well. It is recommended to keep track of them and to continue the current performance, or even intensify the ‘positive’ characteristics. The points in category 1 with a crucial importance for cross-border destinations deserve extra attention, such as the positive sentiments amongst stakeholders. The fortification of those positive attributes will strengthen the competitive position of the cross-border destination and enable the focus of managers to be shifted to less successful managerial criteria.

- The listed criteria within category 2 are those for which supposedly plans exist for a future amelioration. It is recommended to keep the ball rolling and to pool forces towards turning theoretical ideas into practical actions. The IBT and its stakeholders should start implementing those that are crucial for cross-border destinations (e.g. a fine-tuned task division), followed by those important for cross-border destinations (e.g. utilisation of tourism forum for cooperative education) and, finally, those general importance for cross-border destinations (e.g. establishment of a criteria catalogue for innovations).

The attention is now put on the characteristics of category 3, which represent all of the twelve internal strategic destination management criteria for a greater, international competitiveness of cross-border destinations. The chapter will kick-off with recommending thoughts crucial for cross-border areas. Subsequently, recommendations with a particular importance for cross-border areas will be presented and the chapter concludes with recommendations with a general importance for cross-border destinations. At the end of the chapter, the recommendations will be visualised and grouped within the twelve criteria towards closing the circle of the theoretical framework application.

9.1 Recommendations with crucial importance for cross-border destinations

First of all, the delegation of responsibilities has to be adjusted in the future. Inside the IBT, the responsibility for important decisions coupled with the leadership of projects is not split amongst the team members. As this is supposedly due to the fact that some stakeholders do not accept a representative of the IBT other than the CEO, it is recommended that the stakeholders take a more open approach towards dealing with lower level representatives. It is still significant to underline that such attitudes can be actively tackled from within the umbrella organisation through admitting the delegation of responsibilities and increasing the stake of other team members in various projects. With regards to the overall destination, it would be advantageous to transfer responsibilities from the IBT to its stake- or shareholders. For such responsibility dissemination, the following example can be provided to illustrate this idea: The IBT wishes to become more active in new media (social networks) and two interview respondents (Festspielhaus Bregenz and Vorarlberg Tourismus) appeared to be very knowledgeable and experienced in this field. While the operational level of establishing a social network profile or maintaining the online presence should stay within
IBT walls, the supervision of this activity – and, hence, the responsibility – could be passed on to those stakeholders that are already successful in this field.

According to some stakeholders, the coordinating and initiating role of the IBT could be fortified, which is another aspect to be improved within the same topic. This does not concern the responsibility, but particularly involves the topic of coordinating tasks effectively and launching projects and activities more proactively at one unifying entity. It is recommended to start with a discussion forum, in which all stakeholders can present the tasks they are currently performing and their wishes for the future. The forum should be steered by the IBT towards establishing work fields in which stakeholders can actively work together to ensure that tasks do not run parallel anymore in the future. This is very much in line with the plans for a tuned task division and is therefore not further elaborated upon in this paper.

Within the linkages framework, it appeared that stakeholders did not feel a high interdependence or even no interdependence at all. While this attitude might be justified by decent numbers of existing return-visitor, it will be rather impedimental for sailing the new tourism course in an increasingly internationalised travel world. To remain a successful international destination, the Lake Constance area and its tourism actors will have to get closer and accept their dependence on other players. This recommendation is directed at all stakeholders around the lake, who do not see the necessity of cooperating with other actors outside their regions and who lack the feeling of positive interdependence.

Within the same linkages criterion, it will be essential for all stakeholders to proactively enter more cross-border partnerships, as the opportunities of cooperation are not utilised to its full potential at the moment. This is particularly recommended to larger players in the market, who can establish partnerships with large players in other countries. This would then open up possibilities for their smaller members, who currently lack cross-border cooperation initiatives. While this might be further tackled through ideas of the positioning project towards pooling stakeholders as per certain themes in tourism, it remains an appeal to all stakeholders to become more active themselves and show initiative in linking themselves to other actors (preferably in other countries).

Within marketing, the following recommendations can be formulated: stakeholders can continue to be active in developing their own regional brands, but should not lose sight of the umbrella brand, which is developed at the moment. It should be ensured by all (especially smaller) players that their logo, slogan and layout as well as marketing tools and activities fit well under the ‘Lake Constance’ brand and that efforts are put into strengthening the corporate brand by all means.

Coming back to the IBT and their marketing activities, many plans are currently generated to change the marketing and branding of the IBT. Yet, it still appeared that no plans exist for the homepage of the IBT, which should be professionalised in terms of layout, promotional visuals and the provision of information in more languages. Moreover, the IBT is currently not active in the field of social engagements, which could certainly foster a positive image in the future and increase the organisation’s awareness. After consulting stakeholders that successfully implemented such projects (such as the Festspielhaus Bregenz), IBT employees could develop ideas on how to get socially involved. Subsequently, ideas could be presented to the shareholders of the organisation to cultivate ideas and promote participation of other actors. As a result, social engagement projects would also
reinforce the group emphasis through collectively working on a positive project besides daily routines and conflicts.

The final aspects within the marketing framework are a few suggestions for the new marketing message. It has to be ensured that the marketing identity presented in this paper (figure 8) – which is also established via the INTERREG project on a larger scale – is utilised for the future marketing activities and message. Moreover, based on the empirical research, it is recommended to incorporate certain USPs of the region. First, there are two characteristics that have the potential to differentiate the region from other destinations: the rare combination of lake and mountains as well as the quality and indulgence aspect. Second, the cross-border characteristic should certainly be integrated, as its importance was often revealed throughout this research. The current slogan of the IBT ‘Experience variety – four countries and one lake’ is therefore considered very positive and it is recommended to stick to this orientation for future marketing activities. A possible slogan suggested by the researcher could be ‘Diversity in Unity at Lake Constance’, which would foster the unification characteristic. Such a slogan could be coupled with a logo representing both the lake and the Alps.

The spirit framework is of crucial importance for cross-border destinations and the research identified three aspects, which deserve improvement efforts at the case study destination. The IBT is advised to – in collaboration with its shareholders – formulate a Code of Conduct or a similar paper in which clear, mutually agreed upon management principles and values or beliefs are outlined. This would not only support the evolution of a positive organisational culture, but could potentially reconcile reoccurring conflicts in daily routines. It is moreover suggested to start organising sessions with a cross-cultural expert, which all shareholders and interested stakeholders may attend in order to receive suggestions from a coach on how to deal with nationalism, parochialism or other conflict points. Finally, the group emphasis and regional identity is negatively influenced by affiliation issues of a few stakeholders that do not identify themselves with the lake. It is recommended to umbrella organisations of respective regions to partner with the IBT in order to actively support the affected stakeholders (e.g. small villages) in developing a clear positioning towards meaningfully allocating their small budgets. Free consultancy services for those villages should be provided in the long-run.

9.2 Recommendations with particular importance for cross-border destinations

Within the criteria categorised as important for cross-border destinations, the following drawbacks could be improved for a sophisticated destination management. Within the human resources management criterion, specialised training efforts or continued education programs should be offered. This indeed would imply high costs for a professional coach or courses, but those could be shared with other organisations, which pursue similar goals. Together with an academic institution, such as the Institute for Service Management at Constance University of applied Sciences, training opportunities could be identified and offered to all stakeholders via the homepage of the IBT in order to gather participants for shared costs. This would not only decrease costs for all involved enterprises, but also establish professional training facilities for non-tourism experts involved in tourism at Lake Constance.

Inside the IBT, employees should furthermore be encouraged to take more risks and try out new things, which is closely related to the organisational set-up and innovations (see sub-chapter 9.3). Finally, a responsible person inside the IBT should develop events and incentives for the employees of the organisation. Ideally, if accepted well by participants, such social occasions could be extended
to incorporate employees of other institutions from all four countries. This would give birth to more personal relations, which is a highly regarded management tool amongst many players.

For the stakeholder management, the following recommendation is defined: the formulation of a clear, structured and specific stakeholder definition for a more strategic stakeholder management, possibly incorporating nature as a stakeholder and fortifying activities centring on the local community. It is recommended for the IBT to develop a stakeholder map in which claims and views of stakeholders can be registered based on frequent conversations with various players around the lake. Such efforts would ensure that all actors feel involved and perceived, which is the ideal situation at destination management level and currently approached via the positioning project. Hence, no further recommendations are formulated at this stage.

Regarding the tourism strategy criterion, the researcher would suggest a proactive support of smaller players with their strategic orientation in line with suggested support for positioning efforts. If strategies logically complement with other regions through steering the process at a unifying entity, the overall image can benefit from this. Moreover, in line with strategic directions formulated at the moment, it is recommended to actively distribute strategic values amongst employees to ensure that those values are not only written down on paper, but are actively put into practice.

It was investigated that no common research in tourism is conducted, smaller players often lack access to research data and international ‘communities of knowledge’ for active knowledge exchange are missing. First of all, it would be desirable to develop a common criteria catalogue for gathering tourism data in all regions towards facilitating data combination and exchange. Next, information should be regularly gathered at IBT level and subsequently distributed to all involved stakeholders via a newsletter on trends, performances and other suitable information. Ideally, such a disposition would make the shift from ‘knowledge is power’ to ‘sharing is power’ for tourism at Lake Constance come true.

Another recommendation is the establishment of certain cross-border resource preservation projects. The IBT could start with including short instructions in their ‘Experience Card’-leaflets and brochures on appropriate behaviour towards calling upon the caring mentality of the visitors. The IBT could moreover appreciate sustainable tourism products and initiatives of tourism actors around the lake through appointing ‘Green Lake Constance’ certificates. The cross-border hiking and cycling tracks could be developed stronger against the background of nature conservation and certain practices could be easily adopted inside the organisation’s office. Generally, in the long-run, a common policy should be formulated including visitor management practices, LAC standards and zoning projects for future developments.

Finally, it is recommended to develop a quality control paper and deploy available standards and frameworks for measuring the quality of products and services as well as the performance of human resources. This is only partially accomplished through tracking numbers and usage of the ‘Experience Card’. For a more professional quality management approach, this task needs drastic improvements. The same goes for a comprehensive crisis and risk management plan, which the IBT should supervise. This plan should include classification of crises, prevention, immediate actions, responsible key persons etc. Good practice examples are often provided online and in academic literature.
9.3 Recommendations with general importance for cross-border destinations

The final block of recommendations does not represent managerial peculiarities specifically important of cross-border destinations, but can yet support the IBT and its stakeholders to polish their competitive identity. The major shortcomings were identified within the organisational set-up. For the IBT to gain higher competitiveness, the organisation would have to shift towards a true organic bureaucracy. The researcher would like to recommend a less centralised organisation of the IBT by suggesting the delegation of full task fields (so including final decisions and control processes) to lower level staff. Herewith, employees get more freedom to make decisions and authority is pushed down to lower levels. This would not only trigger greater flexibility and adaptability amongst employees, but also foster the relaxation of the chain of command for a better performance of the IBT. Formulation of good governance principles, as suggested by academic literature, would certainly encourage the future development of the organisational set-up of the IBT and could be part of the Code of Conduct.

The final recommendation revolves around the innovation theme, which is closely linked to the aforementioned criterion. If the IBT develops into a true organic bureaucracy, the conditions for innovations coming from within the company are established. It is recommended to more actively deploy innovation sessions with all employees as well as external idea generators (stakeholders) towards lifting innovative thoughts to a more strategic as well as cooperative level. To further stimulate innovations in the whole area, the best-practice examples from Scotland can be made use of (see sub-chapter 5.8). To start with, a tourism innovation day involving all share- and stakeholders as well as an annual innovation reward to acknowledge good performances and to stimulate innovative activities in this field, are recommended.

The recommendations formulated for the category three aspects – those constituting managerial deficiencies, which are not (yet) addressed – are visualised and summarised on the following page as per the twelve managerial criteria.
Figure 11 – Recommendations overview (own assortment)
Chapter 10 – Final words and further research suggestions

The present paper has succeeded in developing a framework on internal strategic organisational destination management criteria with the potential to increase the international competitiveness of cross-border destinations. The research detected twelve internal destination management criteria towards filling the gap in contemporary literature, which were successfully compiled in a framework for practical execution. The framework was subsequently tested on a cross-border umbrella organisation and its stakeholders in the Lake Constance destination, which proved to be a suitable case study destination. It was investigated how the umbrella organisation IBT is dealing with the internal destination management and which role the stakeholders are performing in terms of cooperative destination management. With reference to the theoretical framework, the analysis of the findings revealed a few managerial shortcomings for which recommendations could be formulated. Hence, the master dissertation delivered what was promised in terms of research goal and research questions and will hopefully render suitable and applicable assistance for respective stakeholders at Lake Constance.

Due to time and financial constraints as well as a pre-determined research scope, further research suggestions centering on the topic of this dissertation can be formulated:

- Certain aspects that influence the competitiveness of destinations were not taken into consideration as the focus was strictly narrowed down to internal managerial concepts. The others, such as attractions and activities, accessibility, amenities, price, image, ancillary services etc. could be added to the management criteria to extend the overall research scope and investigate potential relations between those characteristics of a destination. For the Lake Constance region, the development of further cross-border tourism products would be particularly interesting.
- Several aspects within the management framework were not considered as outlined in sub-chapter 5.13. Those include the political systems of countries, the infrastructure of a place and finance and funds of DMOs. Those criteria could, similar to aforementioned criteria, be added in an extended research project.
- Comparative studies with other (cross-border) destinations would be desirable to investigate the applicability of the criteria framework. Moreover, comparative research would help to detect innovative management ideas from other destinations that might be applicable at Lake Constance.
- It would be interesting to further investigate the consumer side and their motivations to travel to cross-border areas and to investigate whether existing theories hold true. This could support perfectly tuned marketing initiatives to attract more customers.
- The research conducted for this dissertation assignment should be repeated in a similar way in a couple of years to check the outcomes of the positioning project and to investigate what effectively changed.
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Appendices

Appendix I – Interview respondents

The following 20 stakeholders agreed to be part of this research:

<table>
<thead>
<tr>
<th>Company / institution</th>
<th>Stakeholders type</th>
<th>Name of respondent</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internationale Bodensee Tourismus GmbH (IBT)</td>
<td>Umbrella organisation</td>
<td>Mrs. Pahl-Humbert, CEO &amp; Mrs. Stein, Assitant</td>
<td>Konstanz, Germany</td>
</tr>
<tr>
<td>Tourismus-Marketing GmbH Baden-Württemberg</td>
<td>DMO / Tourist information</td>
<td>Mr. Braun, CEO</td>
<td>Stuttgart, Germany</td>
</tr>
<tr>
<td>Ferienregion Nördlicher Bodensee</td>
<td>DMO / Tourist information</td>
<td>Mrs. Erath, CEO</td>
<td>Pfullendorf, Germany</td>
</tr>
<tr>
<td>OberAllgäu Tourismus GmbH</td>
<td>DMO / Tourist information</td>
<td>Mrs. Wegner, CEO</td>
<td>Sonthofen, Germany</td>
</tr>
<tr>
<td>Oberschwaben-Tourismus GmbH</td>
<td>DMO / Tourist information</td>
<td>Mrs. Müller, CEO</td>
<td>Bad Schussenried, Germany</td>
</tr>
<tr>
<td>Bodensee-Linzgau Tourismus e.V.</td>
<td>DMO / Tourist information</td>
<td>Mrs. Halder, CEO</td>
<td>Salem, Germany</td>
</tr>
<tr>
<td>Tourismsusgemeinschaft Gehrenberg-Bodensee e.V.</td>
<td>DMO / Tourist information</td>
<td>Mrs. Kohlpointner, CEO</td>
<td>Markdorf, Germany</td>
</tr>
<tr>
<td>Bregenzerwald Tourismus GmbH</td>
<td>DMO / Tourist information</td>
<td>Mrs. Moosbrugger, CEO</td>
<td>Egg, Austria</td>
</tr>
<tr>
<td>Vorarlberg Tourismus GmbH</td>
<td>DMO / Tourist information</td>
<td>Mr. Schützinger, CEO</td>
<td>Dornbirn, Austria</td>
</tr>
<tr>
<td>Thurgau Tourismus</td>
<td>DMO / Tourist information</td>
<td>Mrs. Grünenfelder, CEO</td>
<td>Amriswil, Switzerland</td>
</tr>
<tr>
<td>St. Gallen-Bodensee Tourismus</td>
<td>DMO / Tourist information</td>
<td>Mr. Tschirky, CEO</td>
<td>St. Gallen, Switzerland</td>
</tr>
<tr>
<td>Gemeinde Wasserburg Tourist Information</td>
<td>DMO / Tourist information</td>
<td>Mrs. Feyen, CEO</td>
<td>Wasserburg, Germany</td>
</tr>
<tr>
<td>Tourist Information Kempten</td>
<td>DMO / Tourist information</td>
<td>Mr. Buhmann, CEO</td>
<td>Kempten, Germany</td>
</tr>
<tr>
<td>Pfänderbahn AG</td>
<td>Private sector player</td>
<td>Mr. Kinz, CEO</td>
<td>Bregenz, Austria</td>
</tr>
<tr>
<td>Bregenzer Festspiel- und Kongresshaus GmbH</td>
<td>Private sector player</td>
<td>Mr. Stübe, CEO</td>
<td>Bregenz, Austria</td>
</tr>
<tr>
<td>Mainau GmbH</td>
<td>Private sector player</td>
<td>Mr. Petzold, Marketing</td>
<td>Insel Mainau, Germany</td>
</tr>
<tr>
<td>Graf-Zeppelin-Haus</td>
<td>Private sector player</td>
<td>Mr. Philipp, CEO and Tourism Director</td>
<td>Friedrichshafen, Germany</td>
</tr>
<tr>
<td>Landkreis Ravensburg</td>
<td>Political institution</td>
<td>Mr. Brecht, District Administrator (Tourism)</td>
<td>Ravensburg, Germany</td>
</tr>
<tr>
<td>Landkreis Konstanz</td>
<td>Political institution</td>
<td>Mrs. Pauly, District Administrator (Tourism)</td>
<td>Konstanz, Germany</td>
</tr>
<tr>
<td>Regionales Tourismusmanagement Landkreis Lindau</td>
<td>Political institution / DMO</td>
<td>Mrs. Denner, Tourism Management</td>
<td>Lindau, Germany</td>
</tr>
</tbody>
</table>
Appendix II – Interview questions for IBT

Translated from German into English:

Introduction: Explanation of the dissertation topic and the preceding literature research. Presentation of the 12 theoretical criteria, which may possibly influence the competitiveness of cross-border destinations.

Introductory Questions: What is currently accomplished in the context of the INTERREG project? What are challenges and issues regarding tourism management at Lake Constance?

Organisational set-up: Could you tell me something about the organisational structure of the IBT?

Decentralisation? Formalisation and fixed structures? Fixed rules and duties? Rigid hierarchical relations? Formal or informal communication?

Human resource management (HRM): How are the human resources of the IBT currently managed?

Staff training, education and development (knowledge and skills)? Staff motivation (incentives, social events, rewards)? Involvement and empowerment (risk taking)? Variation and challenge in daily routines?

Tasks, roles and responsibilities: How are tasks coordinated and distributed at the IBT?

How is the leadership / supervision role accomplished? Decision-making processes?

Stakeholder management: How do you define the stakeholders of the IBT (identification)?

What are their claims? Consultation? Integration? Communication?

Linkages: How would you describe the cooperation amongst stakeholders around the lake?

Establish / maintain relations? Cross-border partnerships? Future plans?

Tourism strategy and planning: Do you have a formulated destination management strategy for future development?

Assessment of current situation? SWOT analysis? Vision (in accordance with stakeholders)? Collaborative planning?

Marketing settings: Does a common umbrella brand or theme exist (based on USPs) and what is the image you are trying to convey?

Cooperative marketing? Holistic marketing strategy? Current marketing activities?

Innovation: Would you describe the IBT as an innovative company and, if yes, why?

Types of innovation? Promotion of innovation? New media / technologies? Continuous improvement?

Spirit: How would you describe the organisational culture of the IBT?
Corporate Governance / Code of Conduct (values, principles)? Mutual interests? Care / trust? Motivation / commitment?

**Research and knowledge exchange:** Do you regularly monitor changing tourism trends? Do you conduct active market research?

Competitors analysis? Destination performance reporting? Exchange of information, knowledge and experiences?

**Resource management:** How are the natural resources around the lake preserved and do any cooperative efforts exist?

Caring mentality? Visitor management? Promotion programs / education? Other measurements for preservation?

**Control:** Which processes and results does the IBT control and how is this accomplished?

Evaluation HR? Adaptability to changing circumstances? Learning from mistakes? Quality monitoring? (Comprehensive) crisis / risk management plan?
Appendix III – Interview questions for stakeholders

Translated from German into English:

Cooperation, communication & networks

How would you describe the other tourism stakeholders around the lake (competitors, rivals or partners)?

How would you describe your relation to other stakeholders (trust, mutual relationships, consultative relations or mistrust etc.)?

With who and in what way do you cooperate? Do you maybe carry out any forms of task sharing?

Can you list advantages or disadvantages of (cross-border) cooperation?

When problems arise, are you open for approaching them together with other actors? Can you name examples?

Towards reaching your strategic goals, do you feel your organisation is dependent upon others or do you consider yourself completely independent?

How do you communicate with other actors?

Do you have any plans for the future in terms of intensifying the cooperation with other key players around the lake? Mention examples!

Strategy and Long-term planning

Do you have a (tourism) strategy for the development of your organisation?

Where do you see your organisation in the future (vision)? What would be your future vision for the Lake Constance region?

Do you conduct any form of participative planning with other organisations in order to reach your strategic goals?

Marketing

What would be the first 3 words that come into your mind to describe the identity of the Lake Constance region?

Which image are you trying to convey through your marketing activities?

Do you conduct cooperative marketing? Does your organisation have a cooperative marketing strategy with other organisations?

Which marketing tools are you currently applying?

What would you think of one all-embracing ‘Lake Constance’-brand? What should this brand entail? Do you think it could foster the competitiveness of the Lake Constance destination?
Research and Knowledge exchange

Do you conduct active research and, if yes, through which channels?

Do you consider yourself well-informed when it comes to current trends in tourism? Do you (proactively or reactively) act according to trends? Name examples!

Do you regularly exchange knowledge and experiences with other actors or do you prefer to keep some information to yourself?

Resources Management

Do you take measures within the scope of sustainability towards protecting the natural resources around the lake, or do you consider the actions of the ‘Bodensee Stiftung’ and the ‘IGKB’ sufficient?

If you do take measures yourself, are there any cooperative actions together with other organisations?

In general

According to you, what are current conflict points or problems with regards to the destination management of this region?

The following overview visualises the themes that were discussed from the theoretical framework of internal destination management criteria: