

Tourism Destinations' Leadership Measurement Model

Miglena Temelkova*

International Economics and Administration Faculty, Varna Free University Chernorizets Hrabar, Bulgaria

Abstract

Trying to achieve leadership or to retain their leadership position on the global tourism market tourism destinations find themselves in complicated and polyvalent situations, where resolving them shall require setting out objectives, which should be adequate to the realities, as well as well-grounded and flexible management decisions. Those are only possible, however, if there is clarity concerning the potential of the tourism regions to be positioned as leaders in a specific market niche or segment. Through the modelling of certain aspects, interrelations, interactions, processes, information flows, periods of time, costs, capacities and resources, there is a model generated for measuring the leadership potential of the tourism destinations, which characteristics are described only by their major attributes, having impact on the specific structural changes therein.

Keywords

Tourism Destinations' Leadership, Leadership Potential, Dynamically Developing Tourism Destinations, Model

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1. Introduction

The issue of measuring tourism destinations' leadership potential is not only complicated and multidimensional, but is also particularly relevant. Typical for the discussed topic is that object of analysis is the opportunity to attain leadership for the tourist sites, which quickly improve their market share over time, while being highly competitive and efficient at the same time. In spite of the limited number of definitions in the literature of the concept "tourism destinations' leadership", and in spite of the absence to date of a definition concerning the concept "destinations' leadership potential", the current paper interprets tourism destination's leadership as the sustainable over time ability of a certain tourist region to retain or upgrade its position on the market on the basis of efficient competitive contest, based on products with qualitative and/or quantitative added value. With leadership in tourism, the added value brings over benefits for the destination (regarding the development of its anthropogenic and non-anthropogenic resources), as well as for the tourists

(regarding the satisfaction of their recreational needs), the tourism businesses (regarding their assets' market value, enhanced on the basis of the image), their employees (regarding the labour conditions, remuneration and motivation) and the local community (regarding the increase of the standard of living, which is determined by the economic, social and environmental conditions).

2. Synthesis of Definitions and Approaches for Measuring Tourism Destinations' Leadership Potential

The destinations – leaders keep their position on the market and quickly improve their market share over time, while, at the same time, they compete efficiently and profitably.¹ In

¹ Hudson, S., Ritchie, B and Timur, S. Measuring Destination Competitiveness: An Empirical Study of Canadian Ski Resorts, Tourism and Hospitality Planning and Development. April, 2004.

*Corresponding author

E-mail address: megitemelkova@abv.bg (M. Temelkova)

order to be able to meet the needs of the various target groups and be competitive not only on a regional or national, but also on a global level, the tourism regions should observe a set of requirements, trends and variables. As major elements of their leadership potential on that basis may be outlined the following:

- tourism resources;
- the infrastructure ;
- the superstructure;
- the possibility to form a completed tourism product;
- the price of the tourism product;
- the level of training and the skills of those employed in the industry;
- the information, price and transportation accessibility of the destination;
- the institutional and legal environment;
- environmental specific characteristics;
- national, ethnic, religious and cultural traditions and customs, and modernity of the tourism destination;
- image and brand;
- the uniqueness (the authentic charisma and distinguishing quality, which are typical only for a specifically determined destination), that underlies the targeting of the group of tourists visiting a destination and directly influencing the sustainability of tourism.

Following on this logic, leadership potential can be defined as a possibility to achieve dominant positions on a certain tourism market only by destinations with dynamic and expansive development on the basis of unique qualitative characteristics, image and brand, issuing from the integration of the tourism resources, infrastructure and superstructure with strategic goal-oriented parameters for quality and economic, marketing and price policy and an active encouraging role of the state, the local authorities and community.

The research and systematization of the many theories and models of renowned scholars², as well as the observation and analysis of the global market environment³ leads to outlining

² Костровицки, А. Системны подход в исследовании рекреации. Рекреационное использование природных ресурсов и охрана окружающей среды. Москва, 1977. Benthien, B. Recreational Geography in the German Democratic Republic. *GeoJournal*, 9.1/1984. Воденска М. Моделът ТСОТ като основен обект на изследване в географията на туризма и мястото на влиянията на туризма в него. Юбилеен сборник Географията – вчера, днес, утре. Св.Кл.Охридски. София, 2004. Петров, П. Едно по-различно дефиниране на някои основни понятия в туризма. География, 2/2010. Butler R. The Tourism Area Life Cycle. *Str.* 2006.

³ studied is the market of tourism products offered by Bulgarian, Turkish, Greek and Croatian seaside destinations in the period 2010 – 2014

the major competitive characteristics of the dynamically developing tourism destinations and the main approaches to measure their leadership potential.

The integration of the possibilities of the quantitative, qualitative, systematic, process and situational approach into a conceptual model for measuring tourism destinations' leadership potential leads to an increase in the transparency of the comprehensive factual situation, serves as a basis for discussion and planning and creates an opportunity to choose between the various management alternatives.

The quantitative approaches, based on financial-and-economic quantitative indicators (number of tourists, number of realized accommodations per night, duration of the season, price range, profit, growth of tourism demand, etc.), linear and dynamic programming, planning, forecasting, modeling and optimization achieve not only a greater validity of the results, but also "objectivity" of the research, whereby, based on the adherence to structured methods, destinations' leadership potential can be best understood, defined and measured.

The qualitative approaches (assessments of the quality of the tourism product), whereby the leadership potential of the tourism regions can be measured, are mostly research-oriented in their nature and empirical, because they are based on data from in-depth interviews, observations, analyses and evaluations. This provides the opportunity to develop hypotheses and strategies.

On the basis of the systematic, process-oriented and situational approach, the leadership potential should be treated as a combination of possibilities for developing a tourist site as a system integrating business processes and situational variables with various intensity, as well as an asset for competitiveness and development, which would lead to improving the control over the activities, more intensive reinvestment, avoiding mistakes, sharing knowledge, employees' motivation and tourists' satisfaction.

3. Model for Measuring Tourism Destinations' Leadership Potential

The present study analyzes tourism destinations' leadership potential, as well as evaluates and measures it through the cognitive process of modelling, which builds an abstract and simplified reflection of the studied objects. The model has flexible system architecture and represents a complex object with certain characteristics, which correspond to elements from the original.

The model for measuring tourism destinations' leadership

potential is a unique synthesis of strategic, operational, social, recreational, system and process variables, indicators and parameters from various operational areas of the studied object. The goal of modelling is the configuration of strategic management steps leading to achieving leadership in a particular market segment from the tourism market. The in-depth study of the features and the organizational subsystems of the tourist site determines also the level of adequacy of the model, which is a copy or an abstract reflection of the main characteristics of the researched process or phenomenon. The closer to the actual object is the model as a copy thereof, the more precise are the results subsequently obtained.⁴

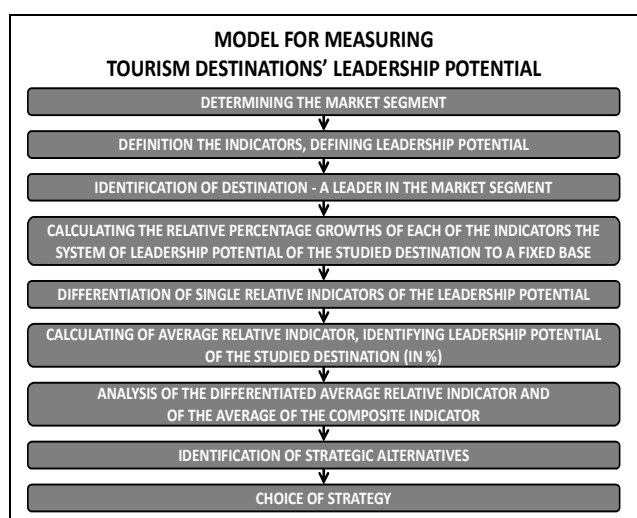


Figure 1. Model for Measuring Tourism Destinations' Leadership Potential.

The integration within a single and systematized conceptual framework of quantitative, qualitative, system-forming, process and situational indicators, showing the production-and-market, as well as the financial-and-economic dynamics of the tourist sites, facilitates the development of a comprehensive model for measuring their leadership potential. The model synthesized in the present work (Figure: Model for Measuring Tourism Destinations' Leadership Potential) is comprised of nine consecutive steps, which comprehensive implementation ranges from the strategic to the operational socio-technical, systematic and process formation of a tourism destination. The leadership of a certain destination is expressed solely and only in a specifically defined market segment. Therefore, the borders of a tourism market (step 1 of the model) are a prerequisite for identifying the information flows, which have an impact on the structural elements of the tourist sites and determine the leadership potential indicators, typical particularly for the studied market segment (step 2 of the model). Those indicators result from the leadership potential elements

examined in the previous paragraph herein, and can be defined in two major groups:

- statistical:
 - number of sites of the tourism infrastructure in a destination;
 - number of realized accommodations per night;
 - number of persons with accommodations per night;
 - number of occupied beds per night;
 - duration of the stay in days;
 - costs for stay per person;
 - revenue from accommodations per night and additional services;
- analytical:
 - indicators for evaluation of the level of development of the tourist function in the destination;
 - indicators for evaluation of the tourism resource potential;
 - indicators for evaluation of the level of utilization of destination's tourism product;
 - indicators for evaluation of the attractiveness and usability of the various resources and assets – both natural and anthropogenic;
 - indicators for evaluation of the infrastructure provision;
 - indicators for evaluation of the transport accessibility;
 - indicators for evaluation of the staff provision;
 - indicators for evaluation of the marketing.

The leadership potential of tourism destinations is expressed in their ability to quickly adapt their strategies and production to the changes in the environment, in view of achieving long-term competitive advantage on the respective market segment. The requirements and the preferences of tourism demand should be successfully integrated into tourist products with high added value and with leadership potential, both in geographical and spatial aspect. The destination – leader in the defined market niche enjoys a positive image and recognizable brand, and is a complex heterogeneous, recreational system with a particularized territorial and functional entirety, which includes natural, social and economic sub-systems, providing and facilitating tourists' full-scale recreational activities. Namely, the clarification of the main characteristics of a tourist site - leader on a certain tourism market (step 3 of the model) identifies to a large extent also the criteria, which, if met, predetermine a dynamically developing competitor to become a primary market factor. A strong impact in that respect also have the

⁴ Иванова, Р., Митев, Б. Моделиране на производствените процеси. Научни трудове на Русенския университет. 47/2008.

relative percentage growths (ΔG) of each of the indicators, determining destinations' leadership potential (step 4 of the model). They are to be calculated under the following formula: $\Delta G (\%) = \frac{Pe' \cdot 100}{P_b}$ where:

Pe' is the value of an indicator, determining the leadership potential of a certain tourism destination over a particular period of time;

P_b is the basic value of an indicator, determining the leadership potential of the same destination, however over a certain basic period.

The juxtaposition between the main indicators for tourist sites' development and the indicators, representing a basis for comparison provide an opportunity for analyzing their ability to increase:

- their market share in a spatial and time aspect;
- their revenue and profits from the perspective of profitability and sustainability;
- the competitive quality advantages of the offered tourist products;
- the positive aspects from their own image and brand.

The strategic comparative analysis between the strong competitive advantages of a tourism region – leader in a certain market niche and the dynamically and expansively developing tourist site in the same market segment leads to a synthesis of the main criteria for determining the presence or absence of leadership potential in the studied destination. On this basis, the single relative indicators for leadership potential - ΔP_e (step 5 of the model) compare the value of the absolute indicator for the evaluated tourism destination (P_e') with the value of the same absolute indicator of the destination - leader (P_1): $\Delta P_e = \frac{P_e'}{P_1}$

The comprehensive method, whereby calculating tourist sites' leadership potential, integrates in itself elements from the internal and external structures of the tourism system. Determining for the leadership development and market positioning of the quickly emerging tourism regions is the role of the genetic areas, which generate the potential tourism demand. The main components⁵ of the tourism destinations' systems have their heterogeneous incoming and outgoing links, which ensure a comprehensive and competitive functioning, and they are a major prerequisite for expressing the leadership potential and capacity. Those components, which are interrelated and mutually determining, are:

- tourism contingent;
- tourist resources;

- material-and-technical facilities and infrastructure;
- servicing staff;
- management authorities.

The relation, leisure – recreation – tourism” is of primary importance in the comprehensive study of the leadership potential of the tourism market regions, which are territorial-and-spatial formations, being in close connection and interaction with nature, the local community and the economy. On this basis, namely, the relation is determined by direct, indirect and transformational links between the separate elements forming the system of tourism destinations' leadership potential.

The comprehensive method is used for determining the average relative indicator of all absolute indicators, which are used for determining tourism regions' leadership potential (step 6 of the model). This summarized comprehensive indicator (P_{ok}) is calculated under the following formula: $P_{ok} = \frac{\sum_{k=1}^K P_e'}{N}$, where N is the number of indicators for leadership potential.

A decision may be taken (step 7 of the model) as a result of the evaluation under this method, that the leadership potential of the studied and analyzed destination is bigger or corresponds to the growth realized by the destination - leader. That happens in the cases when all the values of the relative indicators are bigger or equal to one. If those values are lower than one, then the level of the leadership potential of the dynamically developing tourism region is lower than the potential of the tourist site – leader in the respective market segment. In both cases, however, the best possible alternative options should be identified for development of the destination, whose leadership is measured (step 8 of the model). Thus, namely, are outlined also the main elements of the strategy, which would meet, to the best possible level, the planned strategic goals of the intensively developing tourism destination (step 9 of the model). Therein should be multiplied the usefulness and value of the tourist product as perceived by the tourist, while, at the same time, having in mind, that success in a global aspect requires connecting the strategy with the targeted focus groups, and adding value, which is to be created for the tourists, investors and the employees in tourism businesses. Actually, achieving leadership on the tourism market is impossible without a brand, which should be sustainable over time and relating both to the current tourists and to the market changes. That brand should also materialize strategically the long-term oriented connection between leadership potential and leadership of destinations. The potential for leadership positioning in a particular segment of the tourism market determines the leadership identity of the destinations and is a

⁵ Воденска, М., М. Асенова. Въведение в туризма. Матком. София, 2011.

result of:

- the trust of tourists in the tourist sites and their resources, infrastructure and superstructure;
- the ethics and integrity of service;
- the qualitative characteristics of the offered tourist products with the major role of uniqueness among them;
- diversification, differentiation and focusing as strategies for attracting tourism demand;
- the positive aspects of the image;
- the power of the brand.

4. Closing Conclusions

Leadership is a result of a high level of efficiency and a good level of awareness – a guarantee that the tourist destinations have the capacity to satisfy tourism needs and enjoy positive reputation within a defined market segment.

The destinations' strategies towards developing leadership on the tourist market are based on a number of factors, which determine their leadership and image in a global aspect. The global leadership positioning, however, is impossible without the availability of efficient tourist products satisfying the requirements of the target audience, as well as without an awareness of the qualitative characteristics and advantages of the destination.

Through the generated model, tourism destinations' leadership potential is interrelated with their goals, as well as with the high quality content of their tourist products, the increase in their productivity and their efficiency. Modelling creates a basis for comparison between the potential of the dynamically developing tourism regions and the destination – leader in a particular market segment in respect to:

- uniqueness and exclusiveness of the tourist products leading to adding value for the tourist sites, tourists, tourism businesses and their employees, as well as for the local community;
- financial and market sustainability, set out as goals in the main strategic frameworks of the tourism regions;
- image and brand, based on trust and loyalty to the

destination on the part of tourists, employees in tourism businesses and investors;

- synergy results, based on sustainable and profitable forecasting in the future of the strategic maneuvers and counter-maneuvers of the destinations.

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