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Comparison of management styles of cross border destinations: Lake Constance, Upper Rhine and the Catlins

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Transforming and Managing Destinations: Tourism and Leisure in
a Time of Global Change and Risks

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Comparison of management styles of cross border destinations

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1. Challenges of cross border destination management

Cross border destination management is characterized by extra challenges:

- national, district or county interests
- different administrative structures
- a high impact of politics and policies
- inequality of tourism infrastructures
- power imbalances
- incompatible positioning strategies
- different innovation potentials
- a strong heterogeneity of stakeholders.

Politics, policies and informal actions of stakeholders play an even more important role than in destinations without internal borders. These topics are always relevant in destination management, but are even of stronger importance in cross border destinations leading to a higher complexity.

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2. Comparison scheme

The three cross-border destinations of Lake Constance, Upper Rhine and the Catlins will be compared according to the following scheme:

- A) Extension and demarcation
- B) Complexity
- C) Overnight stays and position in the destination life cycle
- D) Management concept and form of organisation
- E) Drivers of collaboration
- F) Relevance of border(s)
- G) Stage of collaboration.

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2. Comparison scheme

Regarding A) **Extension and demarcation**

Questions of demarcation are particularly relevant for the lake destination of Lake Constance. The comparison of size also indicates specific management requirements.

Regarding B) **Complexity**

The heterogeneity of stakeholders and the level of political influence are used to evaluate complexity.

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Regarding C) **Overnight stays and position in the destination life cycle**

The position of the destination within the destination life cycle will be classified according to the model of Simon (cf. 2008, p. 434 as cited in Eisenstein 2010, p. 62), which contains the phases

Introduction
Growth
Maturation
Saturation
Degeneration
Relaunch

following the life cycle of products. Applied to single products or sectors, the model describes a steady growth that requires a relaunch after saturation has occurred and degeneration commences in order to remain in the market as a product or sector.

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Regarding D) **Management concept and form of organisation**

Frys (2010, p. 418) refers to the relevance of a management concept as a success factor for cross-border tourism cooperation. The management concepts of the cross-border destinations of Lake Constance, Upper Rhine and the Catlins will therefore be covered in this contribution and evaluated according to aspects of strategic management.

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2. Comparison scheme

Regarding E) **Drivers of collaboration**

According to Oliver (1990, p. 243 et seq.), in addition to the pressure of having to meet guests' expectations, who perceive cross border destinations as one destination, and of obtaining economies of scale by the joint use of tourism resources, fundamental drivers of collaboration of organisational entities – and therefore also stakeholder organisations in cross-border destinations – are:

Necessity
Asymmetries
Reciprocity
Efficiency
Stability
Legitimacy.

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2. Comparison scheme

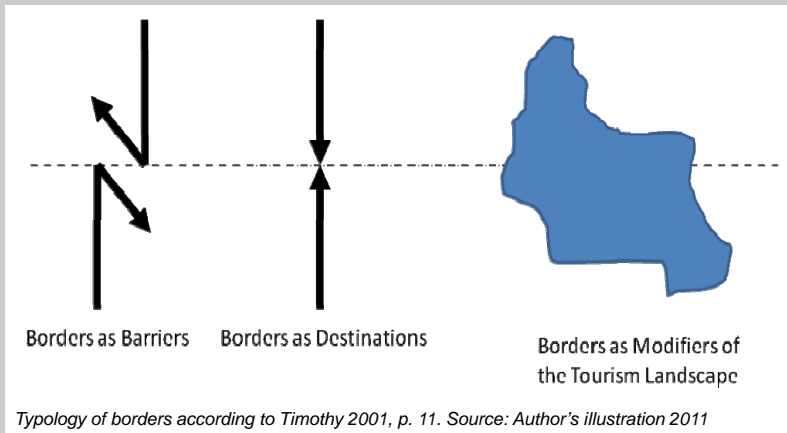
Regarding F) **Relevance of border(s)**

The respective border(s) will be evaluated according to the typology of Timothy (2001, p. 11):

Borders as barriers
Borders as destinations
Borders as modifiers of the tourism landscape.

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2. Comparison scheme



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2. Comparison scheme

Regarding G) **Stage of collaboration**

Wang (2008, p. 155) names the following stages of collaboration in destination marketing:

Assembling
Ordering
Implementation
Evaluation
Transformation.

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2. Comparison scheme

Based on this multifactoral comparison, **management models** are derived and evaluated on the basis of the **strategic management approach**.

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3. Results

Destination	Complexity	Life cycle	Management	Stage of collaboration
Lake Constance	High	Relaunch	Coopetition	Transformation
Upper Rhine	High	Relaunch	Network (theme- and product-oriented)	Implementation
the Catlins	Medium	Growth	Network (partly based on strategy, and institutionalised)	Implementation

Summary comparison of the destinations of Lake Constance, Upper Rhine and the Catlins regarding the parameters complexity, life cycle, management and stage of collaboration. Source: Author's compilation 2011

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3. Results

Destination	Management model
Lake Constance	Paradigm-based flexibility model
Upper Rhine	Theme- and product-oriented network
the Catlins	Partially strategy-based and institutionalised network

Overview of the management models of the destinations of Lake Constance, Upper Rhine and the Catlins. Source: Author's compilation 2011

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3. Results

Wang (2007, p. 77) identifies the approach of strategic management as a relevant theoretical paradigm to analyse and evaluate cooperative activities in tourism marketing. In this section, the above-mentioned three destinations of Lake Constance, Upper Rhine and the Catlins will be evaluated with regard to the extent to which they comply with the requirements of strategic management. Hungenberg's objects of strategic management (cf. Hungenberg 2006, p. 8 et seq.) act as an assessment framework:

Strategies

- Long-term business objectives
- Definition of a pursued market position
- Identification and build up of resources relevant for competition

Structures

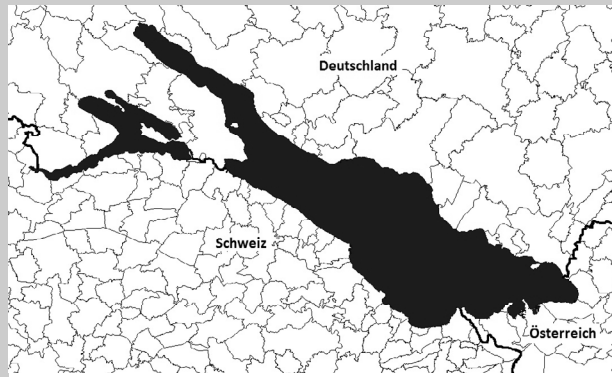
- Organisation (division of work, regulating collaboration)
- Coordination

Systems

- Management information systems
- Incentive systems

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3. Results: The destination of Lake Constance



Borders of Germany, Austria and Switzerland in the destination of Lake Constance.
Source: Thimm 2011

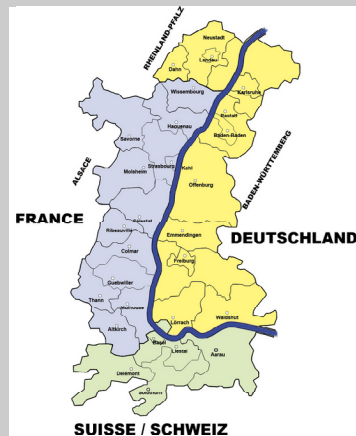
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3. Results: The destination of Lake Constance

The destination of Lake Constance laid down its long-term objectives in its **tourism strategy** (cf. Scherer 2010). No definition of the market position with regard to competitors was formulated. Resources are to be aligned with the strategic objectives during the current process of restructuring of the International Lake Constance Tourism Organisation. Division of work and coordination tasks shall be organised by **performance agreements** between the stakeholders of the destination of Lake Constance and the International Lake Constance Tourism Organisation. These performance agreements comprise, e.g. basic services, strategic business segments, assignments by länder/cantons and projects. The implementation of a **management information system** for the destination of Lake Constance is planned, and incentive systems may be introduced in the restructuring of the International Lake Constance Tourism Organisation by implementing salaries that depend partly on performance. However, they do not yet exist (cf. Thimm 2011a).

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3. Results: The destination of Upper Rhine



The destination of Upper Rhine with France, Germany (Deutschland) and Switzerland (Suisse/Schweiz),
Source: <http://www.amigos-unidos.de/2010/07/01/gemeinsam-werben-trinationale-metropolregion-oberrhein> [16/01/11]

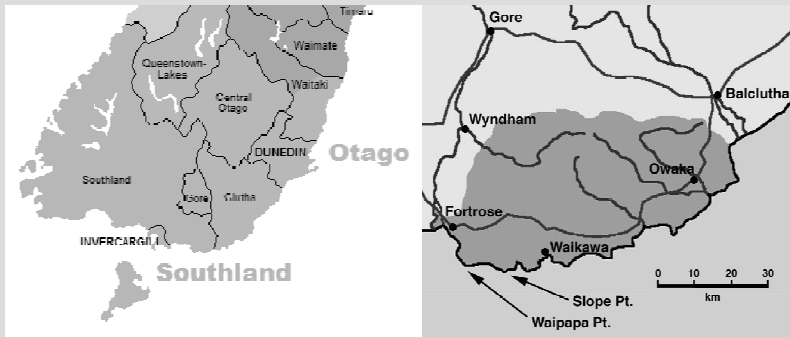
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3. Results: The destination of Upper Rhine

With its **concentration on overseas markets**, the destination of Upper Rhine follows a clear strategic focus and aligns its resources accordingly. **No market positioning** regarding competitors exists. With regard to its target activities of the network, these are coordinated and organised. There are no supporting systems in the sense of those mentioned above.

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3. Results: The destination of the Catlins



The destination of the Catlins. Sources:
<http://de.wikipedia.org/w/index.php?title=Datei:NZTerritorialAuthorities.png&filetimestamp=20070922211943> and
<http://upload.wikimedia.org/wikipedia/commons/thumb/a/a0/Catlinsmap.jpg/200px>
[20/07/11].

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3. Results: The destination of the Catlins

The strategic direction of the destination of the Catlins is **fractional, but institutionalised**. Within this partially strategic focus, the alignment of resources is also partial. There is no competition-oriented market positioning. Institutionalisation assures a minimum of organisation and coordination. Supporting systems do not exist.

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4. Conclusion

1. With its management model of paradigm-based flexibility, the destination of Lake Constance complies with the requirements of strategic management to a much greater extent than the destinations of Upper Rhine and the Catlins.
2. The difference, however, is only gradual, since even the theme- and product-oriented network that forms the basis of managing the destination of Upper Rhine, or the partially strategy-based and institutionalised network of the destination of the Catlins also require some features of strategic management.
3. The rate of decentralisation and institutionalisation decreases from the destination of Lake Constance through the destination of the Catlins to the destination of Upper Rhine. This was intentionally negotiated by the respective destination and is not per se a criterion for a stronger or weaker focus on strategic management.

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