

## Products in the Strategic Destination Management

### Results of my Master's thesis

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## Structure



## Problems from a practical view

- competition between destinations is becoming tougher as a result of globalization, digitalization and increased brand activities
- DMOs usually see the destination as a product that needs to be marketed and mean above all communication and development of own products (e.g. a city tours, events, souvenirs)
- DMOs complain that the service providers do not act according to their destination strategy nor they are interested in a cooperation (e.g. they do not respond to mails, do not inform the DMO about changed opening hours etc.)
- efforts to maintain competitive positions through communication activities and some own products do not work to become unique

**Can products for service providers contribute to maintaining competitiveness?**

## Problems from a scientific view

- resource-based strategic management is important in order to remain competitive → approaches to building cooperative core competencies exist
- the tasks of a DMO are described functionally, with the marketing function being considered more frequently and in more detail than the strategic function
- although destinations are compared to companies, there is no consistent distinction between operational and strategic destination management → marketing is seen at the operational and strategic level
- not only are approaches to the implementation of strategies are missing, but also approaches to strategic destination management

**How can a resource-based, strategic destination management work?**

## Resource-based Strategic Destination Management

### Strategy content

Measures taken by the DMO to develop cooperative core competencies within the framework of resource-based theory



### Strategy process

Combination of logical-incremental planning process with the process steps of the synoptic planning model as phases of strategic destination management



### Resource-based strategic destination management

Tasks of the DMO to build up cooperative core competencies within the phases of the synoptic planning model with the control logic of the logical-incremental planning model

## Resource-based Strategic Destination Management

### Strategic analysis

- complementary, external input factors
- existing strategic resources
- location-, product- and process-specific core competencies
- potential network partners regarding compatibility
- cooperative core competencies
- interorganizational network relations
- strategic cooperation
- knowledge-sharing learning processes

### Strategy development and selection

- development of a concrete strategy to build cooperative core competencies as a basic network strategy
- creation of a conscious overall strategy from the individual strategies of the network partners
- regulation of inter-organizational conflicts of interest
- promotion of strategic initiatives
- specification of the structural context with global goals and regulations

### Strategy implementation

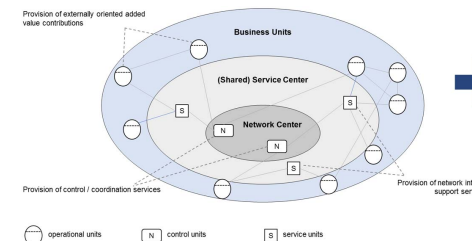
- **Structures**
  - interaction with subnetworks, network partners
  - development of cross-destination routines Impulses for social interactions
- **Systems**
  - information systems (e.g. software solutions)
  - incentive systems
- **Information, motivation, training**
  - dissemination of network-specific knowledge
  - destination-specific company development (strategy, core competencies)

## Products in the Strategic Destination Management

- **analysis services** (e.g. tourist region, network compatibility network actors)
- analysis reports as media products
- **placement services** (e.g. strategic cooperation partners, human resources)
- Workshops and training on network-specific topics (also as incentives)
- **consulting services** (e.g. strategy consulting, innovation consulting, building up core competencies)
- **concept development** for individual network actors
- **supply of complementary services** (e.g. central delivery service)
- **further education services** for employees of the strategic tourism organization
- development and implementation of buildings (e.g. network-specific offices)
- destination-specific software solutions (e.g. information systems)

## DMO as a strategic network and service center

### Center-organization of networks

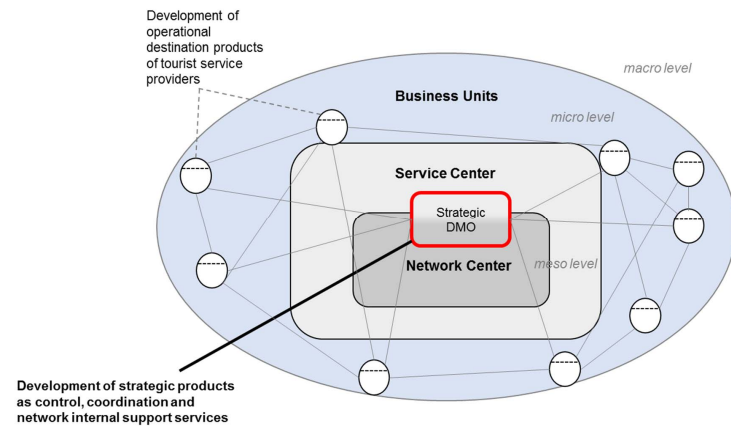


Source: (Petry, 2006, p. 207)

### Organization of destinations according to the community model

- decentralized creation of the tourist product by legally independent service providers
- DMO as a cross-destination unit with bid and coordination-, advocacy- and strategic function

## DMO as a strategic network and service center



## Problems in the practice application

- too little human resources, lack of skills
- risk that the products will not be used
- difficulties in collecting company-specific information
- due to the need for good trust and continuity, it is not sensible to award it to external companies
- passing on implicit knowledge requires an appropriate culture

## Conclusion and research needs

In my master thesis, I developed a new approach of a strategic, resource-based destination management. This results in differentiated and specific tasks of the DMO. The new perspective of the DMO in the strategic area is an important aspect in the question of their legitimacy.

### Research needs:

- extension of the model approach to aspects of normative destination management as well as the market-based theory
- budgeting of the strategic products
- development of target group typologies for tourism service providers as internal customers

**Thank you for your attention!**

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## Sources

Petry, T., 2006. Netzwerkstrategie. 1. Hrsg. Wiesbaden: Deutscher Universitäts-Verlag | GWV Fachverlage GmbH.