Open Innovation
as a Strategy in Quality Management
of Destination Management Organizations

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Research Question

Is open innovation a successful strategy in quality management of destination management organizations?

- Status quo and usefulness of open innovation concepts in the destination
- Preconditions of strategic innovation management in the destination and the DMO
- Can destinations really profit from the use of open innovation, and do successful destinations apply open innovation methods?
Research Design

- CASE STUDY - 4 destinations and their DMOs:
  - Südtirol (Italy)
  - Salzburger Land (Austria)
  - Schleswig-Holstein (Germany)
  - Mecklenburg-Vorpommern (Germany)
- 1. Content analysis of online material, 2. problem-centered half-standardized expert interviews

Findings

Innovation in the 4 DMOs

<table>
<thead>
<tr>
<th>DMO</th>
<th>Innovation processes anchored strategically</th>
<th>role in the management of destination-wide innovation</th>
<th>marketing activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Südtirol</td>
<td>yes</td>
<td>active (key driver, idea generation, realization, marketing)</td>
<td>integrated in product management and the customer journey</td>
</tr>
<tr>
<td>Salzburger Land</td>
<td>yes</td>
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<td>Mecklenburg-Vorpommern</td>
<td>no</td>
<td>relatively passive (driver, possibly marketing)</td>
<td>rather reactive, separated from product development</td>
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</table>

Findings

- no strategical use of open innovation methods by DMOs
- some prerequisites for successful open innovation are given
- general structural problems regarding innovation management in some DMOs
- DMOs with strategically anchored innovation processes and a leading role in destination-wide product development have better chances of successfully applying open innovation

The DMO is apt to apply open innovation techniques to enhance quality management:

- central manager of networks and stakeholders in the destination
- integrates different actors of the industry into the product development process
- supervises the alignment of new products with strategic orientation of the destination
The tourism industry profits from open innovation methods integrating the customer into the product development process: tourists can participate in the value creation of the product they will consume, increasing the probability of customer satisfaction with touristic offers.

Long-term competitive advantage:

obstacles:
structural deficiency in innovation management;
scarce resources to systematically introduce new innovation methods;
risk aversion <> uncertain outcomes