

USING NETWORK ANALYSIS TO DEFINE A TOURIST DESTINATION AS THE BASIS FOR A DMO

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ABSTRACT

Our hypothesis is that network analysis can be used to identify a tourist destination. To test it we carry out a pilot research to enable us to map the connections among the actors in a chosen destination. Our main objective is to elaborate an effective research method for establishing emergent Destination Management Organisation (DMO) and thereby to enhance their success.

In a successful destination service providers recognize the importance of partnerships therefore they are not just existing but actively co-operating in order to provide a more unique and unforgettable experience and to better satisfy the tourists' needs. We investigate a whole network, in a small region of 5 settlements in the northern part of the Lake Balaton.

We propose that this study will support the creation of a tool which can be used by the DMOs without academic knowledge and thanks to the exploration the bottom-up linkages enables the users to: describe the boundaries of the destination and define the boundaries by product; apply a new, measurable component towards increasing the competitiveness of the destination; develop a more efficient DMO-system by finding out further key actors in the destination, who are important to join the DMO.

KEYWORDS

Competitiveness, Destination, Destination management organization, Network analysis.

1. INTRODUCTION

Our hypothesis is that network analysis can be used to identify a tourist destination. To test it we plan to carry out a pilot research to enable us to map the connections among the actors in a chosen destination. Our main objective is to elaborate an effective research method for establishing emergent Destination Management Organisation (DMO) and thereby to enhance their success.

2. LITERATURE REVIEW

Nowadays destination management is a more and more important question and a key element of Hungarian tourism policy, since it became one of the five main priorities in the National Tourism

Development Strategy. The main reason why destination management is so important (not only in Hungary) is that competition can now be seen as among destinations instead of at the level of service providers. Destination competitiveness is a fashionable term, but also a key factor influencing a destination's long-term survival.

The destination competitiveness approach by focussing on comparative and competitive advantages has suggested that (1) destination resources are general features of the destination and (2) that destination management can be a powerful tool that governs tourism processes in a destination. "How far tourism in general and the destination in particular is more than just a set of isolated actors, how dense, stable and effective the ties among the actors are becomes an issue that cannot be avoided" (Jancsik, Mayer, 2010:201).

What a tourist destination can be is often another unclarified question. Among terms used in economics, a tourist destination can be seen as the equivalent of a traditional nodal region usually regarded as related areas of several neighbouring settlements (Lengyel, 2009), although a destination is usually organized around an attraction not a town or village. Nevertheless a destination is similar to a nodal region as it is also open and cannot easily be defined by administrative boundaries (Lengyel, 2010).

Yet, in the scientific literature many of the authors examine regions or mostly countries as destinations because it is easy to handle and research. They usually also emphasise that considering geographical and/or administrative boundaries as definers of a destination is not always eligible, because tourists' choices do not rely on administrative boundaries.

Leiper (1995) says that a destination is the place towards which people travel and where they choose to stay for a while in order to have experiences. This definition also makes research difficult, because the territory and the boundaries of the place regarded as their 'destination' can vary according to the tourists' expectations and motivations.

Taking the supply-side approach, Buhalis (2000) defined a destination as a region where all the supply elements which a tourist would need are available.

In a successful destination service providers recognize the importance of partnerships therefore they are not just existing but actively co-operating in order to provide a more unique and unforgettable experience and to better satisfy the tourists' needs. In this way our investigation sees a destination delineated through the nodes of the service providers' connections.

Murdoch (2000) investigates the economic networks of rural areas and distinguishes three types of rural areas: in the first type, ("in the clusters of innovation") vertical networks prevail, it is characterised by small- and medium-sized enterprises and trust-based linkages (e.g. "Third Italy"). In these areas innovation and learning-region theory can obviously be applied and can be used to explore how networks support economic success and how economic success might be maintained. In the second group, ("hotspots" of standardization) horizontal networks, intensive forms of agricultural production and international networks of food production prevail. These can develop economic and social structures mainly based on internal resources and enter their products on international markets. The paradigm of network-building is difficult to apply to these regions; development and economic-social processes can be described better through commodity chain analysis. In the third type of rural regions neither horizontal nor vertical networks exist; these regions lost their traditional structure during industrialisation and they have been dependent on governments' intervention (it is similar whether we are talking about agricultural or non-agricultural interventions). These areas have little

chance to develop based on their internal resources and they are thrown back on relying on interventions following from development policies.

In summarizing the characteristics of the Hungarian organisational structure of tourism we can say that it has more weak points than strengths. After all regarding some aspects we have notable basics: strong national marketing organisation which operates with the help of wide network of Tourinform Offices throughout the country; and the regional organisations were established years ago. Because of the successful structural development it is important to take account both opportunities (effective tourist strategy of the government; activity of NGOs) and threats (instability in the government; destination managers not recognizing their role) as well (Jancsik, Madarász, Mayer, 2008).

The tourist administration of government tries to further bottom-up initiatives and help the local and regional participants of tourism to organize formal associations (DMOs) for improving destination management performance. For example, in 2008 a handbook of organizational and professional DMO development was published. This offers easy-to-follow guidelines for the tourism sector to build up these organisations and in addition more and more invitations to tender are available to achieve these aims (Jancsik, Madarász, Mayer, 2008). Another example of a bottom-up initiative is the tendering operations of the government's tourist administration. The aim of these activities is to further the establishing and operation of DMOs. The main problem with these arrangements is that these are actually top-down initiatives which are necessary but primarily explorative when supporting the linkages between the local actors would be more important.

Hungarian regions belong to the third group of Murdoch's typology, which means that the system of Hungarian DMOs has to be developed by both bottom-up and top-down initiatives. Nowadays in Hungary the top-down approach is more stressful, accordingly we think we need methods and tools to enhance local linkages and build upon the emergent networks and potential clusters of interest.

3. METHODOLOGY

In our research we use quantitative methods because of the type of information needed to undertake the analysis; we need answers from actors of a supposed destination about the number and nature of the links they have established and to identify from those actions the resultant structural characteristics. We have investigated a whole network, in a small region of 5 settlements in the northern part of the Lake Balaton (Felsőörs, Lovas Alsóörs, Paloznak and Csopak). We utilised a snowball sampling technique, first asking the most obvious key stakeholders within the area then following their relationships to identify other nodes (Scott, Baggio, Cooper, 2008). We will apply researcher-administrated structured questionnaires, as we are studying a small region so the number of the respondents is manageable. Naturally in the future we would like to continue and extend our research in order to improve and finish our research tool.

4. MAIN RESULTS

In the literature review mentioned ideas draw attention to the importance of network analysis in tourism. A universally and easily useable research tool could help to explore the basics of bottom-up structure; furthermore it can create a base to apply the tools of community development. The latter is in effect a top-down intervention but can support the creation of the range of stable basics and internal resources.

5. CONCLUSIONS

We are proposing that this study will support the creation of a tool which can be used by the DMOs without academic knowledge and thanks to the exploration the bottom-up linkages enables the users to: describe the boundaries of the destination and define the boundaries by product; apply a new, measurable component towards to increase the competitiveness of the destination; develop a more efficient DMO-system finding out further key actors in the destination, who are important to join the DMO.

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