Forskning på klippegrund

CRT

1994 - 2004



Center for Regional- og Turismeforskning Oktober 2004

Forord

Den 24. oktober 1994 blev Bornholms Forskningscenter i Nexø officielt indviet. Som en del af Bornholmerpakken var det tanken, at centret - sammen med Glas- og Keramikskolen - skulle sætte Bornholm på det danske uddannelses- og forskningslandkort og bidrage til en positiv økonomisk udvikling af Bornholm. Ti år er nu gået og med dette jubilæumsskrift vil Center for Regional- og Turismeforskning, CRT, (som Bornholms Forskningscenter skiftede navn til i 2002) give et overordnet billede af centrets begivenhedsrige udvikling og mangfoldige virksomhed.

Overskriften *Forskning på klippegrund* antyder, for det første, at grundlaget for CRT's eksistens hele tiden har været at drive en forskningsbaseret virksomhed med høje kvalitetsstandarder. Selvom CRT's arbejdsområde blev udvidet i 2002, til nu endnu kraftigere end tidligere at udføre udviklingsopgaver og engagere sig i uddannelsesinitiativer på Bornholm, så hviler CRT's eksistensberettigelse fortsat på, at centret står på fast forskningsgrund.

For det andet hentyder overskriften *Forskning på klippegrund* til de udfordringer, som ligger i at forsøge at etablere en forskningsinstitution i et miljø uden større erfaring og traditioner for videregående uddannelse og forskning. Dette var særlig tydeligt under CRT's første fem år, da relationer til, samt samarbejde med offentlige og private aktører på Bornholm var relativt begrænsede, og omvendt, at forståelsen af relevansen af et forskningscenter på klippeøen ikke var specielt stor.

Med den omfattende forandringsproces, som begyndte i 2002, forsøger CRT at målrette, udvikle og drive en virksomhed, der både står på et stabilt forskningsgrundlag, og som i det væsentlige udøves i et interaktivt samarbejde med lokale og regionale aktører. En vigtig målsætning for CRT er, at centrets forskningsbaserede viden aktivt skal bidrage til, at Bornholm kan tage de udfordringer op og gribe de muligheder, som opstår, når Danmarks administrative landkort ændres (strukturreformen), følge med i den dynamiske udvikling i Øresundsregionen og Østersøområdet, og udnytte de muligheder, der findes i forbindelse med omlægningen af EU's strukturfonde i 2006.

Jubilæumsskriftet består af tre dele. Den første giver en oversigt af de vigtigste begivenheder i løbet af CRT's første ti år. I den anden del præsenteres et antal udvalgte videnskabelige artikler, som har været publiceret i internationale tidsskrifter. Disse er forfattet af tidligere og nuværende medarbejdere. Desuden er nogle artikler blevet til i samarbejde med nogle af vore internationale gæsteforskere. Uanset, så afspejler artiklerne den ambition CRT altid har haft, nemlig at producere videnskabelig forskning af høj kvalitet. I den afsluttende del præsenteres og diskuteres det principielle grundlag, som CRT's virksomhed hviler på: synergien mellem forsknings- og udviklingsvirksomhed og konkret illustreret med et af centrets igangværende turismepro-jekter.

En stort tak skal lyde til CRT's jubilæumskomité, bestående af Barbro Anell, Bente Hansen, Jesper Manniche og Ann Hartl, som under stort tidspres har arbejdet med dette skrift.

Peter Billing Oktober 2004

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1 Hvad årsberetningerne fortæller

De mængder af data, årsberetningerne indeholder, kan givetvis organiseres på mange forskellige måder for at give et meningsfuldt billede af aktiviteterne på centret siden dets oprettelse i 1994. At koncentrere sig om den forskning, der er blevet bedrevet og fortsat bedrives ved centret, forekommer at være et temmelig indlysende valg, eftersom det er forskningen, der er centrets eksistensberettigelse. Hvilke forskningsbidrag har de mange projekter resulteret i? Dette spørgsmål må dog sættes ind i en sammenhæng, nemlig centrets eksistens og historie gennem de ti år, det nu har eksisteret.

I denne gennemgang af årsberetningerne har vi forsøgt at præsentere de forskellige træk af forskningen og pege på projekter, som er repræsentative for centrets udvikling. Da ikke alt kan tages med her, er der først og fremmest rettet opmærksomhed mod de større projekter.

Forskning resulterer i publikationer - eller burde i det mindste gøre det. I skriftets næste del, gengives et udvalg af artikler, som baserer sig på projekterne, og som er blevet publiceret i internationale videnskabelige tidsskrifter. I årenes løb er der naturligvis også publiceret en omfattende del rapporter i centrets egen skriftserie. Nogle af de mest bemærkelsesværdige vil blive nævnt, men ingen uddrag af rapporterne er taget med i artikelsamlingen. Regionalforskningens resultater er hovedsageligt blevet publiceret i centrets regi, hvilket desværre betyder, at den del af centrets forskning er underrepræsenteret i artikelsamlingen. Derimod vil denne del af centrets virksomhed blive præsenteret i det afsluttende kapitel.

Først vil vi beskrive den historiske kontekst. Centrets historie kan deles ind i følgende faser:

- *Etableringsfasen*, fra begyndelsen i 1994 frem til midtvejsevalueringen i 1996, hvor centrets opbygning tog sin begyndelse og to store projekter blev påbegyndt.
- *Konsolideringsfasen*, fra evalueringen til og med 1999, hvor centret fik lov til at udvikle sig uforstyrret og uden ydre indgriben, og en kerne af faste medarbejdere udkrystalliserede sig; modsat etableringsfasen, hvor der var en større tilgang af medarbejdere.
- *Omstøbningsfasen* 2000–2001, hvor centret ændrede formål, ledelse og navn.
- *Krisefasen* i 2002 og 2003, hvorunder centrets beståen blev udsat for en alvorlig trussel.
- *Omorienteringsfasen*, som centret fortsat befinder sig i. Centret må finde nye måder at arbejde og at finansiere sin virksomhed på. Omorienteringsfasen har betydet, at man på centret mere og mere har indstillet sig på udviklings- og samarbejdsprojekter samt forskningsopgaver efter opdrag.

Etableringsfasen frem til evalueringen 1996

Centret startede i 1994 som Bornholms Forskningscenter og med Svend Lundtorp som forskningschef. Svend Lundtorp kom fra en stilling som kommunaldirektør i Gentofte. Centrets første bestyrelse bestod først og fremmest af personer med lokal tilknytning, men også forskere var repræsenterede. Bestyrelsens første formand var amtsborgmester Knud Andersen. Til hjælp for ledelsen nedsattes et eksternt forskningsudvalg bestående af forskningschef Nils Groes, professor Peter Maskell og professor Michael Møller.

Bornholms Forskningscenter blev oprettet som en del af Bornholmerpakken, der var blevet vedtaget af den daværende regering for at stimulere øens regionale udvikling efter kriseårene 1992-1993. Centret fik fra start en bevilling på 3 mio. kroner til etablering og et årligt driftstilskud på 5 mio. kroner i en femårig periode. Efter denne periode skulle virksomheden evalueres. Centrets ledelse blev dog enig med det daværende Forskningsministerium om, at der var behov for en evaluering på et tidligere tidspunkt, for at afgøre om der måske var mangler i centrets virksomhed og for at kunne tilpasse virksomheden på et tidligt tidspunkt, således at man ikke først efter fem år kunne tage stilling til centrets fortsættelse. Det besluttedes derfor at gennemføre en midtvejsevaluering i 1996, det vil sige efter Centret havde eksisteret i kun to år.

Centret fik sit hjemsted i den restaurerede Stenbrudsgård fra 1700-tallet, beliggende i udkanten af Nexø; et sted som *osede af miljø*. Indvielsen foregik med sædvanlig festivitas – daværende forskningsminister Frank Jensen omtalte centret som *en brik i dansk forskning*, og Bornholms Tidende gav udtryk for store forventninger til centret.

Medarbejdere ansattes: med fra begyndelsen (eller i hvert fald tidligt i forløbet) var og er fortsat Jesper Manniche, Bente Hansen, Carl Henrik Marcussen, Tage Petersen og Ann Hartl (i den rækkefølge, de tiltrådte). Mange forskere kom og gik. I øvrigt afspejledes i medarbejderstaben, at forskningscentret i sine første år fungerede som en organisation med projekter som sit grundlag, og at både projekter og medarbejdere skiftede fra tid til anden.

Forskningen ved centret havde til opgave at fokusere på fem områder (1994):

- Udkantsområders økonomi og strategi
- Virksomhedsudvikling, innovation og teknologi
- Turisme
- Østersøregionen
- Generel samfundsvidenskabelig forskning.

Særdeles prioriterede områder var turisme og regional udvikling. Det var en målsætning helt frem til krisefasen og er fortsat vejviser for centrets valg af projekter. I løbet af det første år, der hovedsagelig var præget af aktiviteter i forbindelse med opstarten af en helt ny virksomhed, nåede man at publicere en enkelt rapport, som blev en kæmpesucces, nemlig Steen Schønemanns rapport *Bornholms befolkning, erhvervsstruktur og udvikling.* I en mindre rapport, *En ø uden tilskud*, forsøgte Steen Schønemann at besvare spørgsmålet, hvad der ville ske, hvis statstilskuddet til Bornholm forsvandt. Det var et mørkt billede, der tonede frem. Også denne rapport vakte stor opmærksomhed på øen.

Helt fra start dominerede to store projekter centret; begge finansieret af Statens Samfundsvidenskabelige Forskningsråd (SSF). Det første af disse projekter gjaldt *Bornholms teknologiske udvikling* og var planlagt for en periode på to år, 1995– 1996, med et budget på 2 mio. kroner pr. år. Et formål med projektet var at give opmuntring og støtte til udvikling gennem et meget tæt samarbejde med de virksomheder, som indgik i projektet. Seniorforsker Kresten Storgaard, Statens Byggeforskningsinstitut, var projektleder. Ud over ham var seniorforsker Birgit Jæger, fra Amternes og Kommunernes Forskningsinstitut (AKF) og to af de nyansatte yngre forskere ved centret, Carl Henrik Marcussen og Jesper Manniche, involveret i projektet. Man valgte at studere tre industrier, nemlig turismeindustrien, jern- og metalindustrien samt telearbejde, som omfattede alle former for distancearbejde ved hjælp af Informations- og Kommunikations Teknologi (IKT).

I løbet af 1995 blev der publiceret en rapport hvor det teoretiske grundlag for projektet, samt for de tre udvalgte industrier, blev beskrevet og nogle arbejdshypoteser blev præsenteret. I projektplanen pegedes der på, at man i løbet af 1996 havde til hensigt at gennemføre *casestudier* i et antal udvalgte virksomheder og danne virksomhedsnetværk inden for de tre industrier, at udarbejde teknologiske scenarier for dem samt lave handlingsplaner for et konkret teknologisk udviklingsprojekt. Et internationalt forskerseminar skulle ligeledes gennemføres. Endeligt skulle slutrapporten og et antal videnskabelige artikler forfattes.

Det andet store projekt, var forskningsprogrammet med titlen *Turisme i Europas perifere områder*, som havde fået en bevilling på 5 mio. kroner om året i perioden 1995-1999. Projektleder var en internationalt anerkendt forsker inden for turisme, professor Stephen Wanhill, fra Bournemouth University i England. Tilknyttet programmet var et enestående netværk af stort set alle danske forskere og forskningsinstitutioner, der arbejdede med turismeforskning på daværende tidspunkt. AKF, Institut for grænseregionsforskning, Advance/1, Institut for Transport, Turisme og Regionaløkonomi ved Handelshøjskolen i København samt Forskningscentret for Skov og Landskab deltog i dette netværk. Ud over Stephen Wanhill deltog også tre andre medarbejdere ved centret, nemlig Nils Finn Munch-Petersen, Kirstin Blomgren og Ann Hartl. Lidt efter lidt blev flere forskere på forskellige niveauer i karrieren, alt fra ph.d.-studerende til professorer, knyttet mere eller mindre fast til turismeforskningsprogrammet. Nick Johns, Norwich City College, UK og Stephen Witt, University of Surrey, UK, tilhørte ud over Stephen Wanhill, de internationalt anerkendte turismeforskere, der i lange perioder var tilknyttet programmet og centret.

Turismeforskningsprojektet skulle, i henhold til projektplanen først og fremmest beskæftige sig med:

- Efterspørgselsmønstre for turisme i perifere området
- Turismeerhvervets adfærd og struktur
- Turismens sociale aspekter og konsekvenser
- Turisme som en strategi til udvikling af perifere områder
- Integration af relevante teorier og udvikling af turisme
- Den bæredygtige udvikling af lokalområder hvad angår økonomiske, miljømæssige og sociale faktorer (Årsberetning, 1996).

Det var således et omfattende spektrum af spørgsmål, som skulle besvares. Et antal delprojekter startede i løbet af 1996, blandt andet om økonomisk adfærd i bornholmske turismevirksomheder. Desuden var der andre projekter ved centret, som havde en turismemæssig fokus, herunder projektet finansieret til dels af Danmarks Turistråd om turistinformations- og bookingsystemer, og et andet (finansieret af centrets grundbevilling) om kirkerne og turismen. Artiklen *Resident trade-offs. A choice modeling approach* af Lindberg, Dellaert & Rømer Rassing er et eksempel på, hvordan effekter af turisme i lokalsamfundet og de fastboendes reaktioner herpå kan analyseres. Et andet eksempel på turismeforskningsprogrammets virkning viser artiklen *Market segmentaion and the prediction of tourist behaviour: The case of Bornholm* af Johns og Gyimóthy.

Centret samarbejdede tæt med AKF, Bournemouth University, hvor der blev indgået en samarbejdsaftale med School of Service Industries, hvor Stephen Wanhill var ansat, samt Det Danske Turistakademi, som bestod af handelsskoleafdelingerne i Rønne og Randers. Det internationale forskningssamarbejde omfattede også nye partnere, såsom Scottish Agricultural College, Ayr. Mange internationale gæsteforskere arbejdede ved centret i længere eller kortere perioder.

Konsolideringsfasen fra og med 1996 og frem til og med 1999

Bornholms Forskningscenter blev som aftalt evalueret i 1996. Evalueringsudvalget, et nordisk team, bestod af professor Peder J. Pedersen, Aarhus Universitet, docent Karl Erik Brofoss, Institut for Studier i Forskning og Videregående Uddannelser, Oslo, og docent Anders Steene, Kalmar Universitet.

Evalueringen bragte både ris og ros, men var i det store hele positiv. Blandt andet opfordredes centret til en bedre integration og koncentration af forskningen, og det anbefaledes at hæve de akademiske ambitioner blandt andet ved at publicere flere resultater i akademiske tidsskrifter. Evalueringen medførte, at Forskningsministeriets bevilling til centret blev forlænget til og med år 2003. Centret skulle imidlertid evalueres igen i 2001. Centret havde i denne periode en god økonomi med den forlængede bevilling og to store forskningsprogrammer.

Dog var der en del forbehold for at opnå den udvidede bevilling. En arbejdsgruppe under SSF skulle udarbejde faglige anbefalinger for tilrettelæggelsen af centrets fremtidige strategi, og centret skulle indgå et forpligtende samarbejde med et dansk universitet. Arbejdsgruppens anbefalinger vedrørende den fremtidige strategi var følgende:

- Forskningscentret bør foretage en yderligere koncentration omkring turisme, forstået som forskning i det erhvervsmæssige potentiale ved turisme i randområder.
- Forskningscentret har problemer med at tiltrække og fastholde danske forskere på seniorforskerniveau. Dette problem foreslås løst dels ved etablering af kontakt med seniorforskere ved højere uddannelsesinstitutioner og sektorforskningsinstitutioner, dels ved fortsættelse af centrets gæsteforskerpolitik.
- Forskningscentret anbefales at indgå en forpligtende samarbejdsaftale med én højere uddannelsesinstitution. Centrets formelle samarbejdspartner må være indstillet på at indgå faste og forpligtende aftaler om bl.a. ydelse af vejledning af yngre forskere, udbud af turismeuddannelse og indgåelse i fælles forskningsprojekter (Årsberetning, 1997).

Evalueringsgruppens råd blev taget *ad notam* og centret gik ind i et tættere samarbejde med Roskilde Universitetscenter, Handelshøjskolen i København, særlig Institut for Ledelse, Politik og Filosofi, samt senere Aalborg Universitet. Kontakter knyttedes også med nordiske uddannelses- og forskningsinstitutioner.

Turismeforskningsprojektet voksede i den tid til et forskningsprogram med mange forskellige projekter, der blev gennemført både ved centret og ved de øvrige institutioner i samarbejdet. Et antal rapporter blev publiceret i 1996, mange i centrets egen skriftserie. Otte artikler om turisme blev publiceret dette år i videnskabelige tidsskrifter eller som kapitler i bøger. I 1997 afholdtes der inden for turismeforskningsprogrammet en meget succesrig konference med deltagelse af 93 forskere og andre fagfolk fra i alt 13 forskellige lande, med deltagere så langt væk fra som Australien og New Zealand.

Inden for rammerne af projektet *Bornholms teknologiske udvikling* blev som planlagt holdt to konferencer – en for forskere og en for erhvervet – begge omkring temaet *Telematics*. Artiklen *Telematics* – *Opportunity or threat for peripheral areas* af Jesper Manniche og Carl Henrik Marcussen er en illustration af den daværende diskurs. En delrapport om teknologianvendelse i virksomheder på Bornholm, inden for de tre udvalgte industrier, blev offentliggjort. I øvrigt arbejdede man inden for projektgruppen – i tråd med projektets formål – meget i forskellige samarbejdsprojekter om igangsættelse af konkrete teknologiske udviklingsprojekter på Bornholm. Projektet er et eksempel på, at anvendelsesorienteret forsknings- og udviklingsarbejde ikke er et nyt aktivitetsområde, men noget der har eksisteret gennem hele centrets levetid.

Ved udgangen af 1996 havde centret 26 fastansatte medarbejdere og syv eksterne forskere. I årsberetningen for 1997 nævntes 31 projekter, der enten var i gang eller på vej til at blive afsluttet. Fem artikler blev publiceret i internationale videnskabelige tidsskrifter. Forskningens kerneområder var turisme i perifere områder (turismeprogrammet) og perifere områders udviklingsmuligheder med særlig vægt på turisme som udviklingsstrategi (regionalforskningsprogrammet). I centrets strategi indgik som et højt prioriteret mål at forankre Bornholms Forskningscenter i den internationale forskningsverden. Samarbejdet med AKF og Det Danske Turistakademi fortsatte og en ny samarbejdsaftale blev indgået med Scottish Agricultural College i Ayr. Forskere fra Ayr deltog blandt andet i et centerprojekt om *Rural Tourism*. Desuden indgik centret i samarbejde med turismeforskningsenheden ved University of Wales, Cardiff og andet uformelt samarbejde blev også opretholdt.

I løbet af 1997 publiceredes, hvad medier omtalte som *Rapporternes rapport*, nemlig Palle Mikkelsens *Status for Bornholm* (rapport 9/1997, Bornholms Forskningscenter og Det regionale Arbejdsmarkedsråd på Bornholm). Rapporten indeholdt en gennemgang af alle forslag, synspunkter og foranstaltninger vedrørende Bornholm siden 1990. Den økonomiske og demografiske udvikling på Bornholm, siden offentliggørelsen og frem til i dag, styrker den tese, der er blevet impliceret i rapporten, nemlig at man ikke kunne pege på nogen målbar effekt af alle forslag og aktiviteter.

Årene 1998 og 1999 var centrets virksomhed en ganske særlig periode med livskraft og mange omvæltninger. Videnskabelige artikler på et højt niveau produceredes, men også konferencedeltagelse og akademisk undervisning blomstrede. Antallet af gæsteforskere ved centret øgedes, ligeså antallet af medarbejdere, som repræsenterede centret på andre institutioner i kortere eller længere perioder.

Flere projekter afsluttedes i 1998 og afrapporteredes. 14 artikler publiceredes i internationale videnskabelige tidsskrifter. I løbet af 1999 var tilsvarende tal 18 artikler. Som det også var tilfældet det foregående år, var det primært forskere fra udlandet, der stod for denne produktion. Artiklen *Backpacker ethnography* af Anders Sørensen er dog et eksempel på, at også fastansatte medarbejdere ved centret producerede videnskabelige artikler. Det forhold, der udpegedes som et problem i evalueringen i 1996, at centret havde svært ved at få danske seniorforskere til at flytte til centret, blev imidlertid stående et stykke tid endnu. Dog blev Carl Henrik Marcussen bedømt til at være seniorforsker i 1998. I 2000 ansattes desuden en svensk ph.d., Peter Billing, i første omgang som gæsteforsker. I 2001 blev en svensk *ekonomie doktor* og professor, Barbro Anell, tilknyttet centret. Det virkede nu som at antallet af

seniorforskere var på vej at stige. Således blev også Anders Sørensen og Jesper Manniche i 2003 bedømt til at være seniorforskere.

Omstøbningsfasen 1999 til og med 2003

1999 var dog også præget af vis turbulens. Forskningschef Svend Lundtorp gik af i løbet af 1999, hvorefter Anders Hedetoft blev konstitueret som forskningschef. Da Anders Hedetoft valgte at tiltræde en anden stilling i slutningen af 1999 blev i stedet Per Åke Nilsson konstitueret. I juni 2000 trådte Henning Bender til som ny chef for centret. Han kom fra en stilling som chef for Aalborg Stadsarkiv.

Det store turismeforskningsprogram, som centret havde administreret, blev i 2000 afløst af et treårigt program, som centret vandt bevillingen til i samarbejde med et konsortium bestående af Roskilde Universitetscenter og Handelshøjskolen i København under navnet Dansk Center for Turismeforskning. Administrationen af dette projekt lå på Roskilde Universitetscenter, og den faglige ledelse af dette program blev varetaget af professor Wolfgang Framke, som også havde været en af deltagerne i det første turismeprogram.

Centret modtog, også i 2000, en bevillingsforlængelse for årene 2004–2006 på sammenlagt 31,5 mio. kroner. I Forskningsministeriets Aktstykke af 6. december 2000, fik centret dels et nyt navn og dels nye opgaver:

Med henblik på bl.a. at sikre, at initiativet "Digitalt Bornholm" integreres og forankres lokalt på Bornholm, og at der sker en videnopsamling fra lignende projekter i Danmark og at disse omsættes til initiativer på Bornholm, omdannes Bornholms Forskningscenter til Bornholms Forsknings- og Udviklingscenter. Bornholms Forsknings- og Udviklingscenters rolle er at understøtte og koordinere udviklingen af Bornholm som et vidensbaseret netværkssamfund. Endvidere skal centret forske i regional udvikling.

Forskningsministeriet vil i dialog med Bornholms Forsknings- og Udviklingscenters bestyrelse justere centrets vedtægter i henhold til ovenstående. Bornholms Forsknings- og Udviklingscenter videreføres på dette grundlag til og med 2006. Inden da vil der blive foretaget en evaluering, der skal danne baggrund for en stillingtagen til, om centret skal videreføres efter 2006 (Årsberetning, 2000).

Det gjaldt altså for den nye ledelse om at forandre og omprioritere i virksomheden, på baggrund af en bevillingsforlængelse. Samtidig måtte man dog også finde ny finansiering, eftersom det turismeforskningsprogram, som efterfulgte det første turismeforskningsprogram, skulle afsluttes med udgangen af 2003.

Digitalt Bornholm var navnet på det program, regeringen, gennem Forskningsministeriet, havde lanceret for at give et generelt løft til Bornholm af it-kompetencer, hvorved:

- virksomheder og borgere kommunikerer elektronisk med det offentlige på flest mulige områder
- virksomheder og det offentlige sikres adgang til en tilstrækkelig it-kyndig arbejdskraft på øen gennem en øget uddannelsesindsats
- virksomheder integrerer digital forretning i deres forretningsstrategi ...(IT- og Forskningsministeriet, statusnotat til den tværministerielle arbejdsgruppe om Digitalt Bornholm, 14. juni 2001). Den samlede statslige medfinansiering af digitalt Bornholm for årene 2000 til 2003 beløb sig til 24,4 mio. kroner. [...] Herudover kunne lokale midler og midler fra EU anvendes (Vedtægter for Digitalt Bornholm, udateret dokument).

I januar 2001 ændrede Bornholms Forskningscenter navn til Center for Regional- og Turismeforskning. Det understregedes at tilknytningen til *Digitalt Bornholm* skulle opfattes i et bredt, komparativt regionalforskningsperspektiv med sigte på at vurdere og analysere informationsteknologiens konsekvenser for perifere regioners udviklingsdynamik.

I årsberetningen for 2000 fastsloges virksomhedens mål i følgende formulering: *Det er således målet for Bornholms Forskningscenter at udbygge sin position som et samfundsvidenskabeligt og humanistisk forskningscenter med speciale i regionale problemstillinger, at fastholde sin stærke stilling på turismeforskningsområdet – samt at skabe en synergi mellem de to indbyrdes sammenhængende forskningsfelter. Dette mål kan fremmes gennem et udbygget samarbejde med forskere og forskningsinstitutioner i ind- og udland* (Årsberetning, 2000).

I 2001 revideredes centrets vedtægter. Især pkt. 2, vedrørende *Formål*, udvidedes. En ny strategi blev udarbejdet og godkendt af bestyrelsen i december 2001. Centrets status ændredes fra at være et ægte forskningsinstitut og blev mere fokuseret på uddannelses- og udviklingsarbejde.

Krisefasen 2002–2003

Inden omstøbningsprocessen på centret var nået særlig langt, faldt hammeren – i hvert fald for en stund. Den nye regering, som var tiltrådt i november 2001, besluttede, at en række råd, nævn og institutioner skulle afvikles. Den såkaldte dødsliste publiceredes i januar 2002. Center for Regional- og Turismeforskning stod på denne liste. Man havde ikke modtaget nogen advarsel i forvejen. Centrets bestyrelsesmedlemmer, især de lokale politikere, protesterede selvfølgelig, men fremtiden var længe usikker. Pressen kunne den ene dag fortælle, at centret skulle nedlægges, næste dag at centret var reddet. Denne usikkerhed påvirkede forståeligt nok medarbejdernes produktivitet negativt, men syv artikler i internationale videnskabelige tidsskrifter publiceredes alligevel i løbet af dette år.

Formanden for centrets bestyrelse, Knud Andersen, måtte gå mange gange til den ansvarlige minister, Helge Sander, inden en aftale om centrets fremtid endelig kun-

ne underskrives. Center for Regional- og Turismeforskning overlevede altså afviklingsforsøget, men betingelserne for virksomheden forandredes radikalt. Centret blev omdannet til en selvejende forsknings- og udviklingsinstitution primært knyttet til Bornholms Regionskommune med ny bestyrelse, ny ledelse og nye vedtægter. Henning Bender vendte tilbage til sit arbejde i Aalborg, og Peter Billing blev ny chef. Det var imidlertid først i februar 2003, at nye aftaler og vedtægter formaliseredes.

De projekter, som havde ligget under Dansk Center for Turismeforskning afsluttedes. Statens Samfundsvidenskabelige Forskningsråds store satsning på forskning i turisme var nu bare historie, og derved forsvandt en vigtig kilde til indtægter for centret. Tilbage var en årlig bevilling på 5,3 mio. kroner, der administreres af den nye regionskommune på baggrund af en finanslovsbevilling til projekter på Bornholm. En aftale for en periode fra 2003 til og med 2006 blev indgået mellem ministeriet og Bornholms Regionskommune. Mellem regionskommunen og CRT blev efterfølgende indgået aftale om, at centret skulle opfylde aftalen på Bornholms vegne.

Centret befandt sig nu foran et valg. Enten måtte man gennemføre store besparelser, dvs. afskedige medarbejdere, eller finde ny ekstern finansiering til en stor del af virksomheden. Desuden indebar den nye bevilling, at alle centrets aktiviteter skulle være relateret til projekter, som derved krævede en ny måde at betragte og organisere samt aflægge regnskab for virksomheden. Centret gik altså tilbage til den projektbaserede virksomhedsform, som det havde i startfasen med den forskel, at man nu fastholdt en stab af fastansatte medarbejdere.

De nye vedtægter blev godkendt af bestyrelsen i december 2002. Formålsparagraffen forandredes til:

- At udføre forsknings- og udviklingsarbejde på de områder, hvor Center for Regional- og Turismeforskning har eller kan få en selvstændig national placering og international gennemslagskraft.
- At drive forskningsbaseret udviklingsvirksomhed, der kan fremme turismen og regional udvikling (Årsberetning, 2002).

Projektbevillingen blev givet til tre hovedprojekter:

- Hovedprojekt 1: Ø-studier og regional udvikling
- Hovedprojekt 2: Turismeforskning og -udvikling
- Hovedprojekt 3: Uddannelser.

Fokuseringen på forskning omkring øers betingelser indebærer en konkret profilering over for anden regionalforskning, hvilket giver centret mulighed for at kunne hævde sig både inden for Danmarks grænser og udenfor. Centrets stærke engagement i udviklingsarbejde i samspil med erhvervslivet giver enestående muligheder for at vinde indsigt i, hvordan man tænker og agerer i forskellige brancher, hvilket kan føre til spændende forskning omkring branchekonceptet, men også til påviseligt gavnlige resultater af centrets virksomhed. Fra begyndelsen var udviklings- og uddannelsesretningen stærkest inden for teknologiprogrammet, men den har også præget turismeforskningen. I omorienteringen indgår også en øget interesse for Baltikum og for Øresundsregionen. Et projekt vedrørende hindringer for transittrafik fra Bornholm vakte stor opmærksomhed. Rapporten indgår nu som grundlag i den politiske debat om grænseregler i Norden. Et projekt, som afsluttedes i 2003, gjaldt spørgsmål om, hvorvidt Bornholm og den sydøstligste del af Skåne ville kunne samarbejde og hævde sig i Øresundsregionen. Rapporten, en socioøkonomisk analyse af Sydøstre Skåne og Bornholm, modtoges godt og projektet har fået en fortsættelse i et Interreg III Aprojekt, som fortsætter i løbet af 2004 og 2005. Det har titlen *Helhedsorienteret udvikling og delregionale roller i Øresundsregionen.* Bornholms muligheder for at kunne hævde sig inden for produktion af kvalitetsfødevarer blev også gennemført i 2003, med den hensigt at give grundlag for det arbejde, der skal udføres ved et nydannet center til fremme af kvalitetsfødevarer.

I løbet af 2003 afsluttedes det samarbejde mellem Roskilde Universitetscenter, Handelshøjskolen i København og Center for Regional- og Turismeforskning, under navnet Dansk Center for Turismeforskning. På grundlag af centrets projekter blev ti artikler publiceret i *peer reviewed* tidsskrifter og yderligere seks var undervejs til publicering, da årsberetningen for 2002 blev skrevet. Syv bogkapitler var blevet produceret og yderligere tre var på vej. Turismeprogrammets afslutning og den nye orienteringen mod udviklingsopgaver medførte at samarbejdet med flere udenlandske forskere ophørte ved udgang af år 2002.

Tværregionale aspekter er i fokus i projektet *Two Nations for the Price of One. Tourism and the Experience Economy in the Öresund Region,* som er et treårigt forskningsprojekt (2003-2005), som udføres i samarbejde med Lunds Universitet og Handelshøjskolen i København. Fra CRT's side deltager to forskere, og der er blevet afholdt et antal projektmøder både i Sverige og Danmark. Et vigtigt aspekt i projektet er styrkelsen af udviklingen af turismeforskning på begge sider af Øresundsregionen, hvilket sker igennem forskelligartede forskningsprojekter og løbende involvering af nye forskere. I fokus for arbejdet indtil nu har stået arbejdet med en videnskabelig antologi. Et engelsk forlag har stillet sig velvilligt overfor udgivelsen, og i hht. planerne skulle den udgives den i løbet af efteråret 2004 med 10 artikler, bl.a. af de to forskere som deltager fra CRT.

Forskningsprojekter resulterer også i uddannelse af personer. I 1997 var Tomas Vedsmand klar med sin Ph.d.-afhandling om fiskeriregulering. En af centrets yngre forskere, Szilvia Gyimóthy, forsvarede sin ph.d.-afhandling, med titlen *The quality of visitor experience – a case study in peripheral areas of Europe* i 1999 ved Norwich City College; dette ph.d.-projekt var del af det første turismeprogram. Hun blev også belønnet med en pris for bedste artiklen i *Managing Service Quality* i 2000. I 2003 forsvarede en anden af centrets yngre forskere, Charlotte Rassing, sin M.Phil-

afhandling ved Bournemouth University; dette projekt havde været en del af det andet turismeprogram. Hun opnåede også en pris for bedste akademiske paper ved Fifth International Yield and Revenue Management Conference i Assisi. Ligeledes i 2003 forsvarede Ann Hartl sin ph.d.-afhandling, med titlen *Developing marketing strategies for tourism destinations in peripheral areas of Europe: the case of Bornholm* ved Bornemouth University, UK. Ann Hartls ph.d. var delvis finansieret af det første turismeforskningsprogram, delvis af centrets grundbevilling.

Omorienteringsfasen

Omorienteringsfasen som stadig er i gang, startede allerede i 2003, til trods for at afviklingstruslen ikke var helt afværget. I løbet af 2003 fik centret en ny bestyrelse, hvis medlemmer udpegedes af Bornholms Regionsråd. Til formand valgtes Hallgeir Aalbu, Nordregio, Stockholm.

Til trods for alle truslerne imod CRT's fortsatte virksomhed, kom der også positive signaler. Videnskabsministeriet gav fra og med 2003 til og med år 2007 en årlig bevilling til Bornholms Regionskommune for at gennemføre forskningsbaserede projektaktiviteter, som kan bidrage til Bornholms udvikling. Bevillingens beløb var for år 2003 5,6 mio. kroner og for årene 2004–2007 5,4 mio. kroner årligt. Centret skal varetage disse aktiviteter. Centret har med denne bevilling som grundlag startet et antal projekter, hvis formål på langt sigt er at

- sikre og medvirke til, at Bornholm har et institutionaliseret vidensmiljø, som på et antal strategiske områder er nationalt og internationalt konkurrencedygtigt
- gennem denne position og kompetence producere og formidle viden, som kan medvirke til at styrke Bornholms ligestillede konkurrenceevne nationalt og internationalt (Årsberetning, 2003).

Der fandtes også andre signaler om, at centret kunne gå styrket ud af krisen. Gamle samarbejdsrelationer fordybedes og nye startede. Et forskningsprojekt om insulære arbejdsmarkeder på øer i Norden, et sammenlignende studie, blev søsat i 2003.

Centret styrkede sin profil i den akademiske verden gennem et samarbejde med, Aalborgs Universitet og Handelshøjskolen i København, med navnet Videnscenter for Turisme, Udvikling og Service – ViTUS. (Dette samarbejde var allerede startet i løbet af 2002). I ViTUS-samarbejdet indgår der siden 2004 desuden Syddansk Universitet. Igennem ViTUS-samarbejdet plejes der tætte relationer til Danmarks Turistråd. Også til Campus Helsingborg (Lunds Universitet) findes der tætte samarbejdsrelationer.

Som tidligere nævnt blev virksomheden delt i tre hovedprojekter, nemlig ø-studier og regional udvikling, turismeforskning og udvikling samt uddannelse. Under østudieprogrammet startede flere delprojekter, blandt andet et vedrørende ø-netværk for forskning og udvikling, et som drejede sig om insulære arbejdsmarkeder og et som drejede sig om *good practice in island development*. Tilknyttet alle disse var internationale samarbejdspartnere. I det første tilfælde University of Prince Edward Island, Canada, i det andet tilfælde Nordregio, Sverige. I det sidstnævnte tilfælde, Good practice, som er et Interreg III C-projekt, er Eurisles, som er Island Commissions forskningsenhed, beliggende på Korsika, centrets partner.

Centret var også involveret i andet internationalt samarbejde i 2003. Som eksempel kan nævnes ESPON, der drejer sig om at studere effekter af *Pre-accession aid*, det vil sige støtte med formålet at styrke positionen for EU's blivende medlemmer inden optagelsen i EU.

Forandringen fra en traditionel sektorforskningsinstitution med store forskningsprogrambevillinger til en projektfinansieret institution har været en vanskelig proces, som endnu ikke er afsluttet. Centret står fortsat over for store udfordringer på flere områder, men situationen synes nu, foran et tiårs jubilæum, lysere end i lang tid. Og måske er det blevet en effektiv og kreativ organisation under forløbet. Det vi ikke dør af, gør os stærk, siger man.

2 Et uddrag af videnskabelige produktioner

2.1 Creating Themed Entertainment Attractions: a Nordic Perspective

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Abstract

The revolutionary innovations in themed entertainment attractions, starting with the *Bakken*, north of Copenhagen, in 1583 and given modern form by Disney at Anaheim, California in 1955 have spread outwards through successive imitation and adaptation by the amusement park industry. Developments have been slower in the Nordic region due to small populations and seasonality, tending to focus on the refurbishment of traditional parks. This paper reviews some of the historical aspects of theme parks and then, with the aid of case examples, goes on to model key design, economic and financial aspects in developing such attractions in a Nordic context. Concepts of creativity and issues of failure are examined, in order to define the boundaries of what may be currently considered good practice to minimise the downside risks that can result in financial, if not project, collapse. Finally, prospects for the future are discussed.

Keywords: Theme parks, history, planning, modelling, prospects.

Introduction

The early history of themed entertainment attractions, or theme parks in everyday understanding, was one of redirecting the concept of amusement parks and fairgrounds of former times into a fantasy-provoking atmosphere, but, as is well known, the Disney Corporation has moved beyond fantasy to encompass learning experiences as in the Experimental Prototype Community of Tomorrow (EPCOT) Center, so that fun is also educational, for which the word *edutainment* has been coined. Nevertheless, the underlying principle of the theme park product remains; it is to provide a pleasurable day out for the family and is founded on resolving a long established market research outcome, that families cannot stay together for more than two to three hours without bickering, unless a variety of distractions are provided (McClung, 1991). A suitable definition of a theme park is a family amusement complex oriented towards a range of subjects or historical periods, combining the continuity of costuming and architecture with entertainment through rides and other attractions, catering and merchandising, to provoke an experience for the imagination. Normally, such facilities have a Pay-One-Price (POP) admission charge and differ from traditional amusement parks, in that they tend to be on open sites outside towns and have high management standards and finish in a themed environment, where everything is centrally owned as opposed to being made up of a large number of concessionaires. In the manner of long-established parks, they may offer optional pricing in the form of free or low cost entry and a *pay-as-you-go* system, or the opportunity to buy an all-inclusive ticket or book of tickets.

However, over the years, the boundaries have become increasingly as blurred as the older parks have refurbished themselves and ventured into different ranges of attractions to keep their business, such as Copenhagen's Tivoli Gardens (established 1843), Liseberg in Gothenburg (1923) and Gröna Lund Tivoli in Stockholm (1883), with the added advantage of being able to capitalise on their prime sites that are now within the city limits. But modern parks have also become hybrids, thus during the 1990s in USA water parks all began to introduce thrill rides to compete with dry parks. In the Middle East, Korea and South East Asia many *leisure parks* have been designed as indoor attractions, sometimes combined with shopping, whereas in Europe and the US large shopping complexes and malls have been introducing leisure entertainment into their portfolio of activities. As regards South America definitions are even more difficult, as the very low incomes of the mass market are primarily attracted to slot machines and gambling, but the attractions designed for this market are often called leisure or theme parks. In sum, theme parks are part of the trend to have a condensed leisure product for the visitor who wants to make maximum use of available holiday time for the family, where the needs of the children have priority. Thus Disney's Animal Kingdom in Florida is able to recreate an East African Safari and there are now whole destinations that are themed resorts, as in the case of Southern Sun's Atlantis in the Bahamas.

Historical Development of Parks

The earliest amusement park, which still exists today, is the *Bakken*, 10 km. north of Copenhagen, which dates from 1583. Thereafter, pleasure gardens began to appear in Europe during the late 1600s. For example, in 1661 Vauxhall Gardens was established in London at the time of Charles II, featuring music, entertainment, fireworks, games and even primitive rides. In France, these gardens were created by full-time showman; thus the Ruggieri family opened the Ruggieri Gardens in Paris in 1766. About the same time, the royal parks at Versailles and the Prater in Vienna introduced similar attractions and traditional rides such as the carousel. These activities, although hugely popular, were not without criticism as they were thought to encourage lax moral behaviour.

The first Tivoli amusement park was originally a rich man's *folly*, for which the name was created, and appeared in Paris in 1771. It was swept aside in the Revolution, as were the frivolous activities of the pleasure gardens. But the idea and name were copied elsewhere in Europe, the most notable being Copenhagen's Tivoli Gardens, which draws in around four million visitors per year. As a result of their growth in popularity, Tivolis became somewhat commonplace and the public's appetite moved on, so that many disappeared in the 1850s, some to become dance halls.

The next major impetus to amusement park development came from the industrial revolution and the growth of urbanisation. It enabled the harnessing of power, at first steam and then electricity, to build and regulate more powerful rides, while the railways brought the visitors to their destination. The stereotype for the innovation process is the new product that disrupts existing competencies and creates new markets, which cause the collapse of old structures (Abernathy and Clark, 1985; Hjalager, 2002). In this instance, the developments were technically radical in the sense that they made existing park facilities obsolete, but as all were able to copy these improvements there was no great change in the traditional fairground style of marketing the attractions to the public. The impact in Europe took the form of building attractions at the growing coastal resorts (Blackpool Pleasure Beach was established in 1896), and at the ends of piers, particularly in Britain, where 78 were developed between 1860 and 1910. Very few piers were built on mainland Europe. At the same time, in USA, the expansion of towns following the Civil War gave rise to Trolley Parks. They came about because the utility companies charged the new electric traction (trolley) companies a monthly flat fee for the use of their electricity. As a result, to stimulate weekend use they created amusement parks, typically at the end of the line. The success of these parks caused them to spread across the US, though relatively few survive to this day. Of the 12 still operating, the most significant is Dorney Park that was opened in Allentown in 1884 and still brings in about 1.5 million visitors. The innovation process at this stage was minor since it was based on followership and did not disrupt existing production systems and markets, but simply strengthened the dominant design and its appeal to the public. Nevertheless, in time, followership can have a cumulative impact through a series of adaptive improvements by new entrants that raise visitor throughput and enhance the experience.

But it was at Chicago's Columbian Exposition in 1893 that a major revolutionary or *architectural* innovation (conforming to the stereotype of new product development) took place with the introduction of George Ferris's Giant Wheel and the Midway Plaisance with its wide array of rides and concessions. The success of the latter dictated amusement park design and the framework in which competition would occur and develop for the next 62 years, both at home and abroad. Borrowing this idea, a Captain Paul Boynton, opened the Water Chutes Park in Chicago the following year. Unlike the primitive trolley parks, Chutes was the first amusement park to be en-

closed and charge admission, and to use rides as its main appeal, rather than picnic facilities or a lake. Although, New York's Coney Island had started up in the 1870s, and their rides and games entertained a countless number of visitors, it was Boynton's Sea Lion Park, opened on the Island in 1895, that set the trend and inspired numerous amusement parks throughout the United States, including the three Great Coney Island Parks; Luna Park (1903-47), Dreamland (1904-11) and Steeplechase (1897-1964). The industry in the States experienced strong growth over the next three decades, its heart remaining in Coney Island, but this was to end with the Wall Street Crash of 1929. Thereafter the industry struggled to survive and apart from a short-lived post WW II boom, parks were now out of vogue as people in the TV age were looking for more sophisticated leisure than could be found in these old-fashioned and, in many instances, dilapidated parks.

To the restore the fortunes of the US industry, a new architectural innovation was needed and this was created by Walt Disney in Anaheim, California in 1955. Built at a cost of some US\$ 17 million, Disneyland was the largest park investment that had ever been made. As often happens with new ideas, there were many sceptics who were unable to see how an amusement park without any of the traditional attractions could be successful. For instead of the fairground style of a Midway Plaisance, with numerous concessionaires, Disneyland offered five distinct themed areas (Main Street USA, Adventureland, Frontierland, Fantasyland and Tomorrowland) that provided guests with the fantasy of travel to different lands and times, all designed and managed by one organisation. In Europe, De Efteling in the Netherlands was created in 1951, with fairy tales as the central theme, and drew in 300 thousand visitors in 1952, but it was Disneyland that set the agenda for the theme park developments that are so familiar around the world today. Confounding its critics, the park brought in 3.8 million visitors in its first year; a figure that reached 13.9 million in 2000 as the number of attractions grew from 17 to 61 and the area became a fully-fledged resort. In the beginning, Anaheim only had seven 7 motels with 87 guest rooms and it is now estimated that there are now some 50,000 guest rooms within the surrounding areas of the park.

During the late 1950s, there were many unsuccessful attempts to copy Disney's formula, but it was not until 1961, when Six Flags Over Texas was opened, that another theme park was successful. Throughout the1960s and 1970s, theme parks were built near major cities across the US, in turn displacing many of the old established businesses, although some were able to keep going as a result of renewed interest in amusement parks, which brought the customers back. As noted earlier, these older parks have also adapted by borrowing ideas from the competition. Milestones during this period have been the creation of Walt Disney World at Orlando in Florida, which at the time of opening in 1971 was the largest investment in an amusement resort, at US\$ 250 million. This was surpassed by Disney's one billion dollar opening of EPCOT in 1982. During the 1980s theme park growth slowed considerably in USA as the market matured and so the industry began to spread its

expertise around the world, Disney opening Tokyo Disneyland in 1983, although the structure is 100% owned by Japanese investors through The Oriental Land Co. Ltd. (Jones, 1994). Europe too can trace modern theme park development back to the 1970s, but at lower intensity than in the US, given the much richer tradition of alternative visitor attractions. Initially, European parks were concentrated in the north where the highest levels of disposable income and car ownership were to be found, but in recent years, increasing affluence has seen the theme park concept spread to Italy, Portugal and Spain, where there are also large influxes of tourists. France was particularly noticeable for a building boom in the second half of the 1980s, although there were several financial failures as a result of too optimistic assessments.

Park	Opened	Location	Coasters	1990	1995	2000	2001
Legoland ^c	1968	Billund	3	1.0	1.3	1.6	1.5
Tivoli Gardens ^b	1843	Copenhagen	4	4.0	3.2	4.1	3.8
Bakken ^a	1583	Klampenborg	3	2.2	2.2	2.5	2.3
BonBon-Land ^c	1992	Holme-Olstrup	4	-	0.3	0.5	0.5
Linnanmäki ^₅	1950	Helsinki	4	1.0	0.9	1.1	1.0
Särkänniemi ^b	1975	Tampere	5	0.6	0.6	0.5	0.7
TusenFryd [°]	1988	Oslo	5	0.4	0.4	0.4	0.4
Gröna Lund Tivoli ^b	1883	Stockholm	3	1.2	1.1	1.3	1.3
Liseberg ^b	1923	Gothenburg	4	3.0	2.6	3.1	3.1

Table 1. Major Amusement Parks in the Nordic Region visitors (millions)

Notes: a. Free entry, with optional pricing. b. Low cost entry with optional pricing.

c. POP admission.

Sources: Various sources, to include: the parks, national tourist offices, Amusement Business and the Roller Coaster DataBase.

Within the Nordic region, small populations and climatic limitations on the season have tended to restrict development to the refurbishment of existing parks, some of which have become *classics* in their own right and are difficult to compare with any other. Table 1 presents details of the major parks in the region, together with the number of roller coasters, which normally constitute the principal attractions. Only Legoland, which serves as a *pilgrimage* centre for LEGO enthusiasts, and BonBonLand, which began life as a chocolate factory in Næstved in 1930, are theme parks in the strict sense. The rest are hybrids (even TusenFryd, which is 17 km. outside Oslo) with a mixture of attractions, themed areas and traditional fairground amusements. Attendances are boosted by optional pricing methods. For example, the Bakken is essentially a funfair drawing mainly on the 1.5 million population of Greater Copenhagen. Entry is free and so visitor numbers are only broad estimates. It has some 60 concessionaires who fail to agree on many things and thus it has only recently been able to offer an inclusive ride ticket alongside its traditional pay-as-yougo system.

The Theme Park Product

The accepted thesis in the *post-Fordist* society, which Pine and Gilmore (1999) label the *Experience Economy*, is that to retain market position, suppliers should no

longer sell goods with attached services but rather services with attached goods, so that each customer receives a bespoke experience package. The Disney Corporation uses the term *imagineers* (Kirsner, 1988) to describe those who design the experiential nature of their product and what they create are *imagescapes*, through sophisticated audio-animatronics' tableaux that blend fantasy into reality around an activity in a spatial setting. Imagescapes compress history and culture and thus time and space into marketable entertainment experiences that have been criticised as *no place places* (Zukin, 1991). On the other hand, complex or scholarly themes have difficulty producing the emotional experiences necessary to attract family groups and have limited repeat visit potential. This market wants easy access, fun rides and attractions, little waiting in queues, good weather and scenery, and a *clean* family atmosphere.





Following this line of reasoning, Figure 1 presents an abstract construction of the theme park product where the core is the imagescape, the purpose of which is to convey the storyline surrounding the visitor experience to the potential market. Thus the intangible output of a constructed imagescape is central to the visitor experience. When presenting the core, the diversity of imagescapes is beyond doubt extensive, but in essence, there is very little new in what draws visitors: the main themes are still the wonders of the natural and physical world, and the endeavours and mythology created by human society. Wong and Cheung (1999) undertook a brochure analysis to produce a classification of park imagescapes into seven storylines,

namely, adventure, futurism, international, nature, fantasy, history and culture, and the *movies*.

The core is surrounded by commodities and services, which are combined to add value through experiences that generate memorable mood benefits for the visitor. Pine and Gilmore (1999), drawing many of their examples from the leisure sector, argue that the right imagescape portrays, through the functional aspect of theming, all four realms of the visitor experience, namely, entertainment, education, aesthetics and escapism. Because only then does open space become a distinctive place to stage an experience, which is what is embodied in truly successful visitor attractions, be they theme parks or the huge array of heritage attractions that belong to the not-for-profit sector. To complete the attraction product, the core imagescape in Figure 1 is supported by facilities such as retailing, catering, cloakrooms, first aid, special needs access, internal transport and car parking, as well as an augmented imagescape designed to ensure that all customer experiential requirements are met, for example, visitor orientation, queue entertainment, handling complaints, puppet characters, shows, presentations and so on.

Figure 2. The development process



Theme Park Development

In a broad sense, the key economic aspects to consider in initiating any attraction are the imagescape (or a number of imagescapes so as to give a place within a place), the location and the market as shown by Figure 2. Ideally the system is sequential, which begs the question of the running order. Demand oriented logic dictates that the optimum path is Market \rightarrow Imagescape \rightarrow Location, but given the fact that the majority of today's attraction, whether natural or man-made, have not been brought into existence for visitor purposes and so are already proscribed by their nature and location (and are also non-commercial), this is a counsel of perfection that only has true force in terms of footloose attractions that can present subjects that are the focus of attention in a broad range of ways, so that it is only a matter of choosing the appropriate imagescape and scale.

Location

Theme parks are the most obvious examples of attractions that can follow the Market \rightarrow Imagescape \rightarrow Location pathway, because they are seeking to maximise their attendance levels, which are functionally related to the population catchment area within a specified drive time of up to two hours for cars and three to four hours for coach, bus or train. Opinions vary as to what is the appropriate catchment size, thus Oliver (1989) argues, within a European context, for a location to be found within a population catchment of 15 million within one and a half hour's drive by motorway or other rapid transit system. In the early 1990s, the English Tourist Board proposed a standard of 12 million residents within two hour's drive or approximately half that number when the location is close to a major resort (McEniff, 1993). To give a specific example, the LEGO Corporation plans its parks along the following guidelines:

- The overall strategy is that their design and existence is to support the toy sales, thus, for example, Castle Land/Hill is themed on the LEGO Castle Play System;
- Prospective locations are in regions where sales are substantial and there is strong brand awareness;
- They are family parks for children aged 2-13 years and the investment of some US\$ 150 million requires a resident catchment area of around 20 million, with about 50% or more being target families;
- An established tourist area yielding a steady flow of visitors;
- Attractive rural surroundings with planning permission for leisure development;
- Minimum site requirement of 40 hectares;
- Locally available support services in terms of suppliers and general tourist infrastructure.

There is a further complication in that it is preferable to find a site that is associated with a destination that has a positive image, as in the case of the opening of the British Legoland at Windsor in 1996, otherwise a great deal of promotional expenditure may have to be sustained to alter public perceptions.

However, irrespective of the particular norms that may apply, it is generally agreed that the two-hour's driving edge or less is critical. For example, The Oriental Land Co. Ltd. is first to acknowledge that their success is in large measure due to the park's location so close to Tokyo with a catchment of 30 million people within one

hour's drive time (Jones, 1994). Similarly, in North America, parks attracting up to three million visitors are located within the two-hour drive time band from large cities.

In practice, the availability of large sites for land extensive entertainment complexes is often limited. In America and Europe, the closure of inner city amusement parks in a period extending from the 1960s to 1980s with the advent of corporate backed theme parks outside of cities, saw them being replaced by open spaces. Parks in major cities are now more valued for their environmental benefits then being locations for amusement activities. Where theme parks are currently spreading, in Central and Southern America and Australasia, site provision is much easier. But both in Europe and North America, desirable sites near major cities are somewhat rare, unless they become available under an urban renewal programme. By and large, these sites are usually under the control of local governments or public development agencies, with strong environmental and physical planning controls that permit them to dictate terms; for example, it took Thorpe Park in Britain six years and 150 planning applications before it could open in 1979, and permission is still needed for every new attraction.

Therefore, site availability may limit park developers to a second best pathway that runs Imagescape \rightarrow Location \rightarrow Market, which runs the risk of *talking up the market* to justify the location, as in the Disneyland Paris project where the site was offered at 1971 agricultural prices as part of the French Government's regional policy (D' Hauteserre, 1997), in spite of the fact that it had already been zoned for urban development. What is important here is to recognise that location, market assessment and imagescape are linked to each other, so that the sequential process may go through several iterations over the construction period of the park. For example, once the site is selected then the development can come into place, but the further the location is away from the optimal market position, the more appealing and exciting has to be the content of the imagescape to *pull* visitors in. Alternatively, the market assessment may be changed, which in turn can affect the imagescape, indicating that these two aspects are inextricably bound to each other. Thus the calculations for the feasibility study will need to be revised continuously during the two to three years it takes to translate the imagescape from idea into practice, so as to keep abreast of market trends.

Planning

Planning a theme park is normally centred on the first and fifth years of operation, the latter being the design standard when park operations should have settled and the future of the park is established, which then gives the opportunity for any venture capital funds to sell on their interests. The market potential is made up of the resident population in the specified catchment area, visitors to the area and groups; the latter includes schools, company outings, clubs and associations. In his study of four Norwegian parks, Dybedal (1998) notes the particular need to cater for domes-

tic holiday visitors due to small resident populations. When calculating the market penetration rates for the park, in order to ascertain likely visitor numbers, account has to be taken of disposable income, accessibility, competing attractions, the appeal of the imagescape and the level of capitalisation required to ensure that visitors have a variety of activities to enjoy during their stay and want to return. The latter is termed the *warranted* level of investment. Generally speaking, US parks have a greater level of warranted investment and thus higher penetration rates than European parks. In part, this can also be explained by closer proximity of parks to each other in Europe, which means greater competition through overlapping catchment areas. In addition, US parks have a larger percentage of admissions as groups than Europe: established parks should generate 35%-50% of their market as groups.

The evidence indicates that to minimise the risks of failure, *reproductive* imagescapes that evoke known products, events or stories in the public mind are most suitable (Wanhill, 2003). Thus the LEGO brick was well established as a toy, the Disney characters were well known in the entertainment industry and as toys, and Universal Studios was famed for its cinematography long before the creation of the parks. They are in fact *branded* parks that have been established around the success of the core business. Universal Studios has the added advantage of pre-testing park imagescapes in its films, so that storylines for the rides are ones that already have public acclaim. *Anticipatory* or *avant-garde* imagescapes, on the other hand, are difficult to evaluate in the marketplace, because there is no recognition at large of their value and so they run the risk of being lampooned as the Emperor's new clothes, as in the case of London's Millennium Dome, or causing public outrage when they are controversial and are not considered to be in good taste.

As a rule, parks tend to have multiple imagescapes designated to zones or *lands* (Richards, 2001), but some such as Warner Bros' Movie World, with parks in Germany, Spain and Australia, or the *Opel Live* theme park opened at Ruesselsheim, Germany, in 1999, have one main image running through all attractions. The major parks do not set out to attract narrow segments of the market, but rather make the widest appeal possible to families and groups, and boost numbers through the temporary creation of imagescapes around events. As theme parks are for the family, then the importance of the children's influence on the decision to visit, particularly with both partners working, must not be overlooked in the images that are portrayed (McClung, 1991). To balance this, an evening theme with shows and good restaurants will attract adults to the park, something that is a strong feature of the city-located parks in the Nordic countries.

Designing a Theme Park

Theme park modelling may best be understood by taking as an example the likely potential for a park to be located in South-West Sweden to take advantage of the population catchment changes in the Øresund Region that have resulted from the

completion of a bridge linking Denmark and Sweden in 2000. The two-hour drive time catchment area of just under ten million people is presented in Table 2.

The overall penetration rate is estimated at 6.7% in the launch year, while the park establishes itself, with market growth to the design level of around one million in the fifth year of operation, as shown in Table 3. As in most northern latitudes, the park is expected to be seasonal with a marked peak in July, to conform to traditional holiday patterns in Scandinavia. There are eight weekend/holiday days in July and 23 weekdays, with attendance at weekend days being 2.5 times those of weekdays. From this it follows that the design day is 287,000 x 2.5/(2.5 x 8 + 23) = 16,686 visitors, which is typically 10%-20% below peak numbers.

The design day is used to determine the time period in which the *peak in ground* number would occur. The latter is arrived at by first recording likely hourly arrival rates during opening hours and then deducting departure patterns, recorded on the same basis, from arrivals; it tends to be in the range 70%-85%. Let this value be 80% of the design day, occurring late in the morning, to give a peak in ground figure of 13,349 upon which the infrastructure, facilities and attractions in the park will be based. The industry standard is that, given queuing time, *walk-around* time and miscellaneous activities, the average visitor should participate in 1.5-2.5 entertainment units per hour, the lower figure being typical in dry parks with a higher figure being more appropriate for water parks. Taking 1.5 as the standard, then this park should have an hourly operating capacity of $1.5 \times 13,349 = 20,023$ entertainment units. Major roller coasters have ride throughputs that range from one to two thousand entertainment units per hour (the Disney model is based on approximately 1,600 per hour), but the simple provision of, say, 15 coasters is not the planning answer!

While some park operators, such as Six Flags and Wet'n Wild, specialise in white knuckle rides (though health reasons do not allow them to go much above G-force 4), the largest and best parks provide a mix of rides and shows to entertain the whole family. This will reduce average hourly throughput, for while an average coaster ride may only last in the order of two minutes (the larger ones as long as four minutes), a show can be up to a half-hour in length and family-style rides tend to have a smaller capacity. Applying an overall hourly throughput standard of 750 entertainment units, indicates a 'nominal' provision of 27 attractions made up of, say, 5 key or *anchor* rides that can be the focus for promotion, a mixture of 16 mediumsized round rides and capacity filling flat rides that appeal to young children, and 6 live shows, play areas and film-based activities to round out the mix (Camp, 1997). The latter are continually improving, thus Futurescope, which was established at Poitiers in 1987, is made up entirely of 3D films, 360° cinema, simulators and other audio/visual attractions. The advantage of virtual reality is in terms of both cost and space, thus one can expect that a simulated ride will cost about one-tenth of the equivalent high-tech ride.

Catchment Area	Population		
Local Market			
Primary_	(1hour)		
Swedes	1,110,000		
Danes	<u>1,590,000</u>		
Total	2,700,000		
<u>Secondary</u>	(2hour)		
Swedes	400,000		
Danes	<u>950,000</u>		
Total	<u>1,350,000</u>		
Total Local	4,050,000		
Tourist			
<u>Primary</u>	(Skåne)		
Total	2,280,000		
Secondary	(Copenhagen)		
Total	<u>3,630,000</u>		
Total Tourist	<u>5,910,000</u>		
Grand Total	9,960,000		

Table 2. Theme Park Catchment in South-West Sweden

Source: Statistics Sweden and Denmarks Statistics.

Table 3. Design Characteristics for the Theme Park

Item	Year 1	Design Year 5
Population catchment	9,960,000	9,960,000
Penetration rate	6.7%	10.3%
Visitor numbers	670,000	1,025,000
Peak month of July	187,600	287,000
Design day	10,907	16,686
Peak in ground	8,726	13,349
Average entertainment units/hr	1.5	1.5
Total entertainment units/hr	13,088	20,023
Average attraction throughput/hr	750	750
Mean number of attractions	17	27
Poisson(1.5, 1.5) at 75% coverage	21	31
Gamma(1.5, 4.5) at 75% coverage	23	35

Queues

The figure of 27 attractions is stated only as *nominal* because several judgmental factors need to be considered before placing the mix on an overall plan for the park, namely:

- Does this level of investment warrant the market penetration rates used at the proposed admission charges?
- Alternatively, does the impact of seasonality on the design day impose too great a level of investment in attractions than the market can support?
- Are there enough attractions to encourage sufficient repeat visits? In the best parks, repeat visit rates can run at 80% and certainly should not be below 40% for established parks;
- What will the queues be like for the principal rides?

The consequences of not achieving the right level of investment can be seen in these examples: under-capitalisation was one amongst a number of reasons for Britannia Park in England opening and closing in 1985; Zygofolis in Nice (1987) had serious cost over-runs resulting in the *skimping* of the theming, while Mirapolis in Paris (1987) had too small a number of attractions, with the outcome that both parks failed to meet their design standard and went into liquidation in 1991.

Seasonal conditions imposed by the weather and marked peaks in attendances affect capacity usage and question the viability of developments under these circumstances. The solution is to reduce the number of anchor rides and replace them with attractions that only require a moderate outlay and to increase the amount *soft* capacity, say, in terms of seating for shows and films. As an example, the LEGO parks have a great deal of additional capacity in the form of workshops where model-makers are on display and give advice to visitors, and Miniland, which is an exhibition of their art, is a passive visual activity that can absorb a variable number of events is also a way of adding to existing capacity without incurring long-term overheads. For example, the Nordic city parks have a strong emphasis on shows and the rising popularity of Christmas Markets in Europe has enabled them to open from mid-November through to Christmas week.

It is becoming evident in the major parks that in spite of improvements in the design of queues as part of the fabric of the attraction, visitors are becoming ever more irritated with paying higher entrance fees, only to wait for hours for a two-minute key ride. Traditional solutions have been to try to manage visitor flows around the park and to increase capacity, though the latter may not be the most cost efficient. The most recent direction has been the introduction of timed-ticketing, such as Disney's Fast Pass, Universal's Express and Six Flags' Fast Lane, for the anchor rides. Given the variable movement of visitors around the park, arrivals at the various attractions tend to exhibit a Poisson process, so the standard of 1.5 entertainment units for a

Poisson(mean(λ)=1.5, variance (λ)=1.5) distribution would cover some 68% of peak in ground activities. On average, visitors can expect to spend about 25% of their stav queuing, the exception being at peak times, so raising coverage to 75% of peak in ground activities would add four attractions to the design level (Table 3), if overall throughput were not increased. This is a somewhat empirical calculation, given that the Poisson is a discrete distribution, so the results are derived by interpolation. A related continuous distribution that can model the same effect is the Gamma($\alpha\beta$. $\alpha\beta^2$), where $\alpha = 0.5$ and $\beta = 3.0$. This produces the same mean value as the Poisson, but a wider dispersion, hence the 75% coverage shown in Table 3 indicates a requirement for 35 attractions in the design year. It is a matter of economic judgement as to whether higher capacity rides will be added so as to maintain the design level at 27, or whether some rides may be phased in as visitor numbers adjust to the park's design year, which tends to happen, or whether dealing solely with queuing at the anchor rides will be sufficient. It is to be noted that the benefits of reducing waiting times go beyond customer satisfaction, as more time is now available to spend in the restaurants and shops.

Once the number of rides has been agreed, they are evaluated for their place on the master layout, their suitability for the range of imagescapes proposed in the park and their contribution to the balance of the experience provided by each zone. A popular layout is the Hub and Spoke System, where the hub is a central facility offering restaurants, shopping, arcades, entertainment, conference rooms and other amenities (benefiting from economies of scale in infrastructure provision), while the spokes are the themed areas connecting the visitor experience. Locating refreshment points, souvenir sales and amenities appropriate to the imagescape in each zone is also necessary in order to create additional spending opportunities and allow flexibility of provision in accordance with the daily and seasonal fluctuations of visitor numbers. It is likely that the master layout will go through several iterations in refining the details, so as to optimise the park's creative appeal, effectiveness and affordability, and ensure that no particular cultural habits are overlooked, for example, the tendency of the family to always lunch together in a fixed one hour period, as in France. Of course, it is possible to over-design a park, so a normal tenet is that the *soft* costs for professional services, pre-opening expenses, and other incidental costs, should not exceed 30% of the total investment.

The process does not stop at the design year: parks encourage repeat visits through festivals and events, re-theming old attractions and spending some 5%-10% of their initial attraction investment on launching new rides, preferably to offer something new every year. A working rule of thumb for the LEGO Corporation is to put aside for reinvestment the equivalent of depreciation each year. Annual developments are usually fairly modest, but the larger parks do compete in trying to have several *firsts* in their portfolios and therefore introduce major attractions every two or three years to boost custom. Thus, when Time Warner took over the Six Flags parks in 1991 and introduced the Batman ride at Six Flags Great America in Illinois, attendances

soared by 17% (Loverseed, 1994). Similarly, Liseberg opened a new wooden roller coaster, the *Balder*, in 2003, costing around SEK 100 million, which is said to be the largest coaster of its kind in Scandinavia, while BonBon-Land has added EuroFighter and TusenFryd, SuperSplash to their attractions.

Theming

Theming allows imagineers to give new meaning to attractions, park facilities and infrastructure, and can cost as much again or more than the attractions themselves. It tells a story that transports the visitor to another place. To be effective, the message is continually repeated in the imagescape of each zone so as to have the highest visitor impact and reinforce the entertainment value through the illusion and sense of role-play created by the use of different storylines and settings. Beyond this there are a number of more specific advantages:

- Park operators are in continual touch with the main ride and attraction manufacturers, so that there is a broad element of similarity in terms of what is on offer. Theming allows parks to develop a sense of individuality and product differentiation and create competitive advantage if it is a popular and well recognised imagescape;
- Creates a perception of quality;
- A memorable environment serves to increase the probability of return;
- Events may be themed for certain target markets and times to raise attendances;
- The imagescapes provide passive entertainment for seniors and family members with young children who may not wish to participate in the anchor rides, but enjoy watching others, particularly members of their group, having a good time;
- Themed entertainment and waiting spots make queuing a less frustrating experience;
- Well themed areas, restaurants and shops can help in managing visitor flows by increasing walk-around time as well as raising secondary spend;
- Merchandise may be co-ordinated to themes to encourage purchase.

Item	Design Year 5 SEK	Revenue Percentages
Revenue Admissions ^a Catering Merchandising Miscellaneous ^b Total	217,300,000 86,920,000 65,190,000 <u>21,730,000</u> 391,140,000	55.6 22.2 16.7 <u>5.6</u> 100.0
Cost of Sales Catering Merchandise Total	34,768,000 <u>32,595,000</u> 67,363,000	8.9 <u>8.3</u> 17.2
Gross Profit	323,777,000	82.8
Other Income °	24,250,680	6.2
Total Income	348,027,680	89.0
Controllable Expenses Payroll Marketing Admin & General Maintenance Operating Supplies Utilities Insurance Total	140,669,700 31,650,700 15,239,200 12,894,700 9,143,600 18,052,600 <u>7,033,500</u> 234,684,000	36.0 8.1 3.9 3.3 2.3 4.6 <u>1.8</u> 60.0
Cash Flow	113,343,680	29.0
Capital Expenses Occupation Costs ^d Attraction Replacement and Renewals Total Net Income before Taxation	24,000,000 <u>60,000,000</u> 84,000,000 27,343,680	6.1 <u>15.3</u> 21.5 7.5

Table 4. Summary Income Statement for the Theme Park

a. Adult admission is SEK 265, giving an average discount of 20%.b. Includes rentals, arcades and vending machines. Notes:

c. Sponsorship, corporate hospitality and rental of facilities.

d. Rental provision for site and premises.

Finance

Table 4 draws up a pro forma income statement for the design year of the proposed theme park. The park is estimated to cost SEK 1,600 million and is positioned to charge an adult POP entrance of SEK 265, with the child price being close to this, so that the average rate of discount is no more than 20%. The POP admission system is generally regarded as advantageous for marketing, family budgeting and enjoyment, is cost efficient and also serves to deter those who may want to come to the park and create a disturbance through rowdy behaviour. Ideally parks try to achieve a secondary spend in the grounds equivalent to the revenue gained from admissions, but the former normally settles at 80% or less of the latter, and can be as low as 60%. Income from sponsorship, corporate hospitality and the rental of facilities is often difficult to predict, so it is included as a separate category, *Other Income*.

The largest item of Controllable Expenses is Payroll, but only about 30% of this is for salaried staff, the remainder being for seasonal employees, whose numbers are variable in line with attendances. Marketing expenses count for 5%-8% of revenue in Europe but can rise to over 10% in US parks. Generally speaking, the operating expenses for theme parks are relatively low, though less so in Europe than USA because of better employment conditions, and tend to have a greater impact when visitor arrivals are markedly seasonal. Parks with low operating costs yield a high cash flow, which makes them attractive to multi-product firms or conglomerates, such as Anheuser-Busch who own Sea World, where the ability of the facility to contribute to the cash flow of the overall business and promote the product line (Budweiser) may be given a higher priority than return on capital. Production industries frequently have long lead times between incurring costs and receiving revenues. In these circumstances, the ownership of subsidiaries capable of generating ready cash inflows into the organisation on a daily and weekly basis can contribute greatly to total financial stability. However, in the longer term, it is the capital expenses relating to site occupation costs (20%-30% of the initial investment) and the provision for the replacement and renewal of attractions that make inroads into long-run profitability, thus rendering parks as somewhat risky investments.

To understand the nature of this risk, it is necessary to manipulate the data shown in Table 4. Let *N* stand for Net Income before Taxes, *R* for Revenue, *I* for Other Income, C^{k} and C^{o} for Capital and Operating Expenses (Cost of Sales plus Controllable Expenses) respectively. Then the basic income model for this park is

$$N = R + I - C^{\circ} - C^{k} \tag{1}$$

It may be seen from Table 4 that C° constitutes 77.2% of R, of which 51.4% of R is estimated to be the variable component C_{v}° and 25.8% the fixed element C_{f}° . From this it follows that the break-even revenue, say, R^{*} when only fixed and variable operating costs are accounted for is

$$R^* = (C_f^{\circ} - I)/(1 - C_v^{\circ}/R)$$

= (25.8 - 6.2)/(1 - 51.4/100) (2)
= 40.4%

If the park was all-year-round with a less seasonal visitors flow, then the result in equation (2) would be somewhere in the region of 30%. As it stands, the result corresponds to SEK 158.0 million of revenue and 413,918 visitors in that order, and gives a substantial margin of safety (MS), defined as the excess of actual (or planned) revenue over break-even revenue, which in percentage terms is

$$MS = [(R - R^*) \times 100]/R$$

= [(100 - 40.4) × 100]/100 (3)
= 59.6%

However, once C^{k} (the Capital Expenses total in Table 4) is introduced into equation (2), the situation changes quite radically, for now

$$R^{*} = (C_{f}^{\circ} + C^{*} - I)/(1 - C_{v}^{\circ}/R)$$

= (25.8 + 21.5 - 6.2)/(1 - 51.4/100) (4)
= 84.6%

At this point, the park needs to earn SEK 330.8 million from 866,796 visitors to remain viable and the margin of safety is reduced to 15.4%. This is based on estimating design and site costs to be no more than 50% of the initial investment, leaving SEK 800 million for attractions with annual replacement and renewals at 7.5%. Bringing down the latter to 5%, thus postponing new additions, would lower R^* to SEK 289.6 million and raise the margin of safety to 26.0%. Clearly, this is a matter for the park management team, in terms of how they see their competitive position and maintaining their share of the leisure attraction market.

The different situations are illustrated in Figure 3: $C^{\circ}C^{\circ}$ is the operating cost line, giving rise to the first break-even point at V_1 , representing 413,918 visitors. Beyond this point the park is said to be economically feasible in that R + I is in excess of operating costs, but it is not viable until V_2 admissions are reached at a level of 866,796 visitors. At this point, the park covers all costs, including capital expenses. The triangle ABD indicates the area on the graph where long-run losses occur if attendances fall below V_2 and clearly the gap between C and R + I grows alarmingly as $V_2 \rightarrow V_1$. Thus parks such as Zygofolis (design 900,000) and Mirapolis (design 2
million) mentioned above, quickly closed when attendances settled at 350,000 and 650,000 in that order. Similarly, Big Bang Smurf in Metz (opened in 1989) had to be bailed out with government subsidies before being acquired by the Walibi Group in 1991.



Figure 3. Theme park break-even chart

The cost structure of theme parks makes them inherently risky projects, the financial term for this being *a high operating leverage*. This means that parks generally have a high level of fixed costs in relation to variable costs and this makes them financially vulnerable to downturns in the market. As a consequence, providing the capital funding package for parks is often difficult: banks will not usually lend more than 40% of the required sum and are certainly more cautious after the Disneyland Paris development (Lainsbury, 2000), as parks tend to have a poor second-hand value. For example, Britain's first theme park, Thorpe Park, was sold to Tussauds in 1998 for US\$ 27 million, which was a fraction of what it would cost to build. Thus the rest of the finance has to be found from equity investors. Sponsorship of attractions also helps, but another important component has been public money. Because parks can generate significant *spillover* benefits at the destination, many have been given government assistance, either through benefits in kind, such as site and infrastructure provision, usually on highly favourable long-term leases, or grant in aid. Support of this kind acts as substitute equity by reducing investment costs, but is likely in a

European context to be no more than 25% of the capital provision, with an absolute ceiling of 50% for public funds made available from all sources.

Prospects

The revolutionary changes created by Disney in 1955 spread outwards as they were adopted by the amusement park industry worldwide. By 1975, the top 30 parks drew in some 65 million visitors. Ten years later this number had risen to 95 million, reaching 160 million in 1995, 185 million in 2000 and just below 195 million in 2001. Of the latter figure, 91.2 million attendances were attributable to the Walt Disney attractions. To cope with this growth in numbers the most recent adjustment has been the introduction of timed-ticketing, but there are a number of other new directions that are emerging. In terms of the industry structure, there has been a move away from organic growth towards acquisitions (which simplifies planning issues) and joint ventures Thus as the US market has matured, so the major operators, such as Disney, Six Flags, Universal Studios and Paramount, have used their economic *muscle* and expertise to expand overseas by these means. The LEGO Corporation is exceptional in this instance, for by establishing a park at Carlsbad, California in 1999, it has reversed this trend. Similar trends can be detected within countries; for example, the three parks of the Tussauds Group in Britain (Alton Towers, Chessington World of Adventures and Thorpe Park) were all obtained through acquisition.

The next radical innovation coming from imagineers is the combination of the physical and virtual worlds, producing an enhanced fantasy imagescape, though at much greater cost. Thus Universal Studios, in their Islands of Adventure at Orlando, has established a Spider-Man ride at the cost of US\$ 200 million. Sums of this kind can only be endured in parks that are resort destinations, which further increases the competitive advantage of chains over independents. The ride matches 3D imagery with structured sets, as opposed to backdrops, and a motion simulator that culminates in a 400-foot drop. In like manner, the new DisneyQuest is an enclosed, interactive theme park coverings five floors with virtual reality video games that can be located in the downtown areas of cities.

Conclusions

The major achievement of themed entertainment attractions, or theme parks in everyday understanding, has been to alter the concept of amusement parks and fairgrounds of former times from a collection of attractions with no underlying theme or storyline into a fantasy-provoking atmosphere, which tells a range of stories to transport the visitor to another place. In this manner, Disney restored the fortunes of an ailing US industry by offering, for the first time, a park that was totally designed and managed by one organisation and divided into five distinct imagescapes.

This concept spread outwards from the US to Europe and is now global. Within the Nordic region, small populations and climatic limitations on the season have tended to restrict development to the refurbishment of existing parks, which have become

hybrids with a mixture of attractions, themed areas and traditional fairground amusements. The notable exceptions have been industrial or branded parks, such as Legoland and BonBon-Land, that have been created from the original core business.

The key economic aspects to consider in park development are the imagescape (or a number of imagescapes so as to give a place within a place), the location and the market. It is possible to classify theme park imagescapes into seven storylines: adventure, futurism, international, nature, fantasy, history and culture, and the movies. To minimise the risks of failure, *reproductive* imagescapes that evoke known products, events or stories in the public mind are most suitable. Commercial practice suggests that the optimum path is Market \rightarrow Imagescape \rightarrow Location to maximise visitor attendances, for which it is generally agreed that two-hour's driving time or less is critical. This is may not always be possible because of limited site availability, which can compromise the potential development.

A theme park is modelled around a design day, whereby peak in ground visitor figures are used to calculate the required number of attractions. The largest and best parks provide a mix of rides and shows to entertain the whole family, with a level of investment that encourages repeat visits. The cost structure of theme parks makes them financially vulnerable to downturns in the market and therefore inherently risky projects. As a consequence, providing the capital funding for parks is often difficult and the growing trend is one of acquisition of independents by large entertainment corporations.

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2.2 Resident Tradeoffs – A Choice Modeling Approach

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Abstract

The perceived impacts of tourism on host communities, and associated resident attitudes toward tourism, is an important research issue. This study uses choice modeling to identify the tradeoffs residents are willing to make with respect to tourism's impacts. This allows estimation of the probability that residents will support a tourism project or development path that generates specified impacts, as well as estimation of the changes in economic value associated with such impacts. Application in the municipality of Allinge-Gudhjem in Denmark generated a mean economic value estimate of 343 kroner for a sample development scenario involving 30 new jobs, 100 additional cars on the road, a 10% increase in rubbish, and a tax reduction of 2,000 kroner.

Keywords: Ecconomic value, impacts, tradeoffs, choice modeling.

Résumé

Concessions mutuelles: une approche basée sur le modelage des choix. Les impacts du tourisme dans des communautés d'accueil et les attitudes des habitants à ce sujet sont des questions importantes pour la recherche. Cette étude utilise le modelage des choix pour identifier les concessions que les habitants accepteraient de faire à l'égard des impacts du tourisme. Ceci permet une évaluation de la probabilité que les habitants soutiendraient un projet de tourisme ou une voie de développement qui produiraient des impacts spécifiques, aussi bien qu'une évaluation des changements de valeur économique associés à ces impacts. L'application dans la municipalité d'Allinge-Gudhjem au Danemark a occasionné une certaine évaluation économique estimée à 343 kroner pour un échantillon d'un scénario de développement entraînant 30 nouveaux travaux, 100 véhicules supplémentaires sur la route, un accroissement de 10% d'ordures et une réduction d'impoô de 2000 kroner.

Mots-clés: Valeur économique, impacts, concessions, modelage des choix.

Introduction

The perceived impacts of tourism on host communities, and associated resident attitudes toward tourism, continues to be an important issue. This much is indicated by governmental policy pronouncements like the World Tourism Organization Bali and Manila declarations (WTO,1996, 1997) and coverage in academic publications (Akis, Peristianis and Warner,1996; Boissevain,1996; Faulkner and Tideswell,1997; Haralambopoulos and Pizam 1996; Huang and Stewart,1996; Kang, Long and Perdue,1996; Lindberg and Johnson,1997b; Schneider, Lankford and Oguchi,1997; Schroeder, 1996; Wall, 1996a,b). Pearce, Moscardo and Ross (1996) provide a thorough review and evaluation of previous research in this field.

Within this growing literature on tourism's impacts, the primary focus has been on measuring attitudes and evaluating their relationship to perceived impacts. An alternate approach is to measure impacts in a metric that is common across the conventional impact categories: economic, sociocultural, and environmental/ecological. Measurement of impacts in a common metric enables identification of resident preferences and tradeoffs regarding these impacts and facilitates evaluation of the desirability of specific tourism projects and/or overall development paths. One possible common metric is economic value, and Lindberg and Johnson (1997a) used contingent valuation (CV) to estimate the economic values of selected impacts associated with tourism. A related technique is choice modelling (CM), which has grown out of conjoint analysis and has been used primarily for market research and evaluation, in tourism and other fields (Dellaert, Borgers and Timmermans, 1995, 1997; Haider and Ewing, 1990; Jeng and Fesenmaier, 1996; Louviere and Timmermans, 1990; Morley, 1994).

Though from a different heritage, CM parallels, but is more general than, contingent valuation. The former allows for tradeoffs between multiple attributes, while the latter involves tradeoffs between only two attributes, one of which typically is money and the other of which typically is a detailed policy option. In simplified terms, dichotomous choice CV asks respondents to decide whether they are willing to trade a specified amount of money (a variable level of one attribute) for a specified good or service (a fixed level of a second attribute, such as a specific reduction in traffic within their community). Choice modeling asks respondents to decide which of several alternatives they would prefer, with the alternatives being packages of attributes at varying levels and one *base* or *other* alternative being none of the packages (levels fixed to zero for all attributes). If respondents choose a certain alternative, then they are assumed to prefer the levels of attributes in that package over the levels of attributes in the other ones and over their current situation of having none of the packages. The attributes used in the resident survey reported here were number of new jobs, amount of tax reduction, percent increase in rubbish, and number of additional cars on the road. For each of the eight choices presented, respondents were asked to choose between two alternatives, with one being a package of attributes and levels and the other being not to accept the package. Responses are assumed to

reflect resident preferences and willingness to accept the negative attributes (rubbish and cars) in exchange for the positive attributes (jobs and reduced taxes).

CV and CM are relatively new techniques, and their validity and reliability remain subject to debate. Many of the applications and evaluations of these methods relate to their performance in environmental/recreational valuation and consumer choice, respectively, such that their performance in the present context, or similar ones, remains an area for research and evaluation. In a review of CV, CM, and other stated preference approaches, Morrison, Blamey, Bennett and Louviere (1996) note that there are theoretical and/or empirical indications of several biases associated with CV, including embedding effects and the related part-whole bias, hypothetical bias, payment vehicle bias, strategic bias, starting point bias, information bias, and nonresponse bias.

Some of these potential biases, such as hypothetical, information, and nonresponse bias, are inherent in any stated preference approach, but can be avoided or minimized through careful survey design and administration. Other potential biases, such as embedding, part-whole, payment vehicle, and strategic bias, may be more likely to occur in CV studies than in CM studies. For example, Lindberg, Johnson and Berrens (1997) were not able to reject the presence of part-whole bias in their CV study of resident tradeoffs, while Morrison et al (1996) note that CM's more explicit attention to differences in attribute levels may make it less prone to this form of bias. Boxall, Adamowicz, Swait, Williams and Louviere (1996) provide further comparison of these two approaches. More generally, the benefits of the CV approach are that it directly estimates economic value for input into cost-benefit analysis, statistical estimation is relatively easy, and distributional effects can be estimated easily using predicted values. The benefits of the CM approach are that the scenarios accommodate multiple attributes (though respondents may focus on only a subset of these attributes) and often are more realistic to respondents than are CV scenarios. Relative to the latter scenarios, CM ones also involve less focus on financial gains or losses; depending on one's view of actual and ideal consumer behavior, this may be a benefit or a drawback of CM.

Both CV and CM fundamentally differ from traditional social impact approaches (Lindberg and Johnson, 1997a). The focus of CV and CM is on the tradeoffs that residents are willing to make between the positive and negative impacts of tourism. The measurement of these tradeoffs enables analysts to determine whether the impacts associated with a specific tourism development option (such as a project or policy) will add to or detract from resident economic welfare (used in this article in the sense of satisfying Pareto compensation criteria) on the basis of implementation leading to a net gain in aggregate economic value for residents. The information generated by applying these techniques can be used to inform, and to reduce uncertainty in, the decision-making process relating to tourism development. An idealistic and simplistic model would postulate that politicians and other public decision mak-

ers act in the aggregate interest of citizens. However, even if one assumes this to be true, it would require that decision makers accurately perceive the disparate citizen interests and then weigh them across individuals. Moreover, the postulate that decision makers act solely in the aggregate interest of their constituents (and not at all in their own personal interest) has been rejected as untenable (Elster, 1989; Williamson, 1994).

The direct measurement of citizen preferences using CV and CM approaches sidesteps the problems of personal interests and probable misperceptions on the part of decision makers, and these approaches follow in the tradition of public referenda. However, these particular approaches do require assumptions regarding decision rules and weighting systems. The common decision rule is to choose the project or path (or no change option) that maximizes aggregate welfare, as measured by willingness-to-pay or willingnessto-accept. The welfare of each citizen is commonly weighed equally, though other weighting systems can be used, particularly if there is concern that a willingness-to-pay approach will bias results in favour of high-income citizens, who are most able to pay. An alternate decision rule for CM is to choose a project or path with a probability of resident support at least equal to 50% or, in the case of multiple projects/paths, to choose the one with the highest probability of resident support.

The outcomes of respondent choices in the CM approach typically are described using random utility models. These models assume that consumer choices can be represented as a process in which the attributes of alternatives relevant to a given choice are evaluated in terms of the utility they provide the consumer. The partworth utilities associated with each of the attributes are assumed to be cognitively integrated into an overall utility for each alternative, after which the alternative with the highest overall utility is selected. The utility function consists of two basic parts: a deterministic component that describes the structural utility that the consumer derives from the alternative, and a random component that describes the error over the structural utility. This error can be due to various sources such as measurement error, omitted explanatory variables, and unobserved variations in taste (Ben-Akiva and Lerman, 1985).

Mathematically, random utility models generally assume that the functions relating the utility functions to consumer choice probabilities can be described with the multinomial logit (MNL) model. The simple MNL model is based on the assumption that the random elements in the utility functions of all alternatives follow independently and identically distributed (IID) Gumbel distributions. The model supports fairly straightforward estimation of coefficients that allow one to express the choice probability of a given alternative as a function of the attributes of that alternative and those of the other alternatives in the choice set. A possible extension, as in the present analysis, may include the effect of characteristics of the individual and/or the choice situation. The coefficients indicate the relative influence of the various at-

tributes on the probability that an alternative is selected. In formula the utility model is expressed as:

$$U_{j} = V_{j} + \varepsilon_{j}$$
$$= \mu X_{j} + \varepsilon_{j}$$

where U_j is the utility of alternative j, V_j is the structural utility of alternative j, μ is the scale factor of the utilities (assumed=1 for analysis involving only one dataset), β is the vector of coefficients of the attributes and individual/situational characteristics, X_j is the vector of attributes of alternative j and individual/situational characteristics, and ε_i is the random component.

For the binomial case, where residents choose whether or not to select a certain alternative over a generic *other* alternative (no package), the choice probability is expressed as:

$$P(j) = P(U_j \ge U_{other})$$
$$= exp(V_j) / [exp(V_j) + exp(V_{other})]$$

where P(j) is the probability that alternative *j* is chosen, U_{other} and V_{other} are the total and structural utility of the generic other alternative, and exp is the base of natural logarithms. V_{other} is assumed equal to 0, which means that the previous equation simplifies to:

$$= \exp(V_{i}) / [\exp(V_{i}) + 1]$$

This equation also can be derived from the traditional binomial logit model. The logit model is estimated by maximum likelihood using N x C observations (adjusted for item nonresponse), where N is the number of respondents and C is the number of choices per respondent. In the choice experiments used in CM, parameter estimates are based on observations of choices that consumers make in hypothetical choice situations (Louviere, 1988; Louviere and Woodworth, 1983). The researcher creates these hypothetical choice situations on the basis of statistical experimental designs, in which the levels of the attributes in the choice alternatives are varied systematically. Depending on the exact specification of the applied design, this procedure will support statistically efficient estimation of some or all main effect parameters and their interactions.

Resident Tradeoffs

The CM questions comprised one component of a larger survey of residents in the towns of Allinge-Sandvig, Sandkås-Tejn, Gudhjem-Melsted, and Østerlars, all located within Allinge-Gudhjem commune (municipality) on the Danish island of Bornholm. The island's economy traditionally has been based on fishing and agriculture, but jobs were lost in these sectors during the 80s and 90s, with the result being high unemployment and the lowest per capita income of all Danish counties (Twining-Ward and Twining-Ward, 1996). Tourism is viewed as an alternative to these traditional sectors, and its development has been supported by Danish and European Community funding programs. The tourism sector was estimated to contribute \$154 million and 4.6% of the island's employment as of 1995. Tourism demand has been unstable over the years, with a 25% decline in overnight stays between 1981 and 1988. By 1995, overnight stays still had not recovered to 1981 levels (Twining-Ward and Twining-Ward, 1996). Various causes for this decline and instability have been proposed, including the Swedish recession, decline in Bornholm's price/value relationship compared to competitors, and other factors. This decline has led to associated job losses and reduced negative impacts such as traffic congestion. In turn, this may result in residents being relatively willing to accept negative impacts in exchange for the jobs and other benefits due to tourism.

Based on visitor surveys conducted by the Bornholms Forskningscenter (Research Center of Bornholm) during 1997, it is estimated that the island receives 514,000 visitors and 3.9 million visitor nights per year. The three main markets are (other parts of) Denmark, Sweden, and Germany. More than half of the visits were for holiday purposes, with the remainder being for VFR (visiting friends and relatives), business, or other purposes. The island's tourism industry is highly seasonal, with 24% of the visits and 27% of the visitor nights occurring in July, 18% of the visits in August, 15% of the visits in June, and 9% in September. In August, the average number of visitors on the island per day is 40,000, which is slightly less than the resident population of 45,000.

The population of Allinge-Gudhjem municipality was 7,887 as of January 1997. The municipality contains 53 hotels with a total of 3,190 beds, and other forms of accommodation (primarily holiday centers) provide an additional 4,446 beds and/or camping sites. Revenue and employment in tourism is highly seasonal; in the municipality in 1996, tourism directly and indirectly generated a high of \$8.6 million in revenue and 1,375 jobs in July, and a low of \$153,800 in revenue and 242 jobs in December. For 1996 as a whole, tourism generated \$30.6 million in revenue and an average of 721 jobs (Rassing, 1997).

Residents were asked to rate the extent to which a significant increase in tourist numbers would change several items. They were then asked to indicate, on a scale from -3 to +3, whether each change would be negative or positive. On the basis of the combined response percentages for +2 and +3, residents felt the most important

positive changes would be, in decreasing order, the number of jobs for people in their town as a whole, the opening times of shops, the number of shops, the tourists' interest in local culture and heritage, and the number of eating places; each of these had a combined percentage of at least 30%. Residents felt the most important negative changes (combined percentage for -2 and -3) would be damage to nature, number of cars looking for parking places, disturbance of animals, increase in traffic, amount of litter in town, difficulties in reserving ferry tickets, and amount of noise; each of these had a combined percentage of at least 40%. When asked whether they would prefer an increase or a decrease in the number of tourists in their town in the next five years, 16% of residents preferred a large increase, 33% a small increase, 34% unchanged from present, 8% a small decrease, and 2% a large decrease. Responses to other questions indicate that a significant number of those who prefer an increase do so on the basis of expected benefits to others in the community rather than to themselves. With respect to current benefits, 42% of respondents reported that their household income was somewhat to very dependent on tourism, either directly or indirectly.

Survey Method

The sample consisted of residents in the aforementioned communities contained within the municipality of Allinge-Gudhjem. The geographic limit of these communities was defined by the town boundaries, and the streets and street numbers within this limit were identified. The sampling frame consisted of all persons listed in the municipal register with addresses in these street and number ranges (the register lists all persons 18 years and older who reside in the municipality). The total number of such persons for the combined four communities was 3,060. Given a target mailout of 650 surveys, 2 in 9 names were selected from each community. For each community, a random starting point was chosen, and a systematic sample was selected from that point. The order of names was from the municipal register, in which streets are listed alphabetically and, for each street, house/apartment numbers are listed from lowest to highest.

The principles of Dillman's (1978) *total design method* were followed in survey preparation, pretest, and administration. A reminder letter was sent to all residents in the sample one week after the original mailing. In addition, a reminder letter and replacement survey was sent to all nonrespondents three weeks after the original mailing. Of the original sample of 649 residents, 86 were removed from the sample because they had moved, were deceased, or otherwise were identified as not able to complete the survey. Therefore, the 391 completed surveys represent a 69% response rate, which is considered good to very good (Babbie, 1992:267; Salant and Dillman, 1994:22).

The following is a sample of the CM introduction and first of eight choices that respondents were asked to make (the original format and Danish wording are available from the authors; community name was varied appropriately): Different developments in tourism can cause different types of changes in Allinge-Sandvig. For each of the following eight choices, please consider both the positive and the negative changes. For each choice, please mark whether you prefer the proposed change or the current situation (prefer that things remain unchanged).

The scenarios are hypothetical, and there are no actual plans to pursue them. Nonetheless, we ask you to take a position on them in order to provide a better basis for future decisions about tourism development.

Example: Will you be willing to accept a 10% increase in the amount of rubbish on the coast and in the town, together with 200 more cars in Allinge-Sandvig, in order to generate 10 new jobs and a tax reduction of 500 kroner [\$1=6.5 kroner] yearly?

Choice 1

5 new jobs in Allinge-Sandvig.

100 kroner tax reduction yearly as a result of increased sales and therefore increased tax payments by businesses. These extra tax payments lead to a tax reduction for private households.

10% increase in the amount of rubbish on the coast and in the town each summer.

100 more cars with tourists each summer in Allinge-Sandvig.

□ Prefer the change □ Prefer the current situation

For each choice, each attribute in the package took on one of four possible levels. The job levels ranged from 0 to 50, tax reduction from 100 to 5,000 kroner, rubbish from 0 to 100%, and traffic from 0 to 1,000 more cars. The attributes and their levels were selected and refined based on previous attitudinal studies conducted elsewhere, researcher familiarity with tourism in Allinge-Gudhjem municipality, discussion with local government officials, and pretests conducted with municipality residents.

Choice	New Jobs (number)	Tax Reduction (kroner)	Rubbish Increase (percent)	Additional Cars (number)
1	50	250	100	100
2	10	100	100	500
3	5	5,000	50	500
4	5	250	0	1,000
5	0	100	0	0
6	10	1,000	10	1,000
7	0	1,000	50	100
8	50	5,000	10	0

Table 1. Sample Set of Choices Presented to Respondents^a

Note a: Because the present model is binary, each choice involved an alternative (*the change*) with one or more positive attribute levels, as shown in this table, and one *other* alternative (*the current situation*) with all attributes set to zero.

There were a total of 16 choices, with half of the sample being sent the first set of eight and the other half the second set, on an alternating basis. Within each set, the order of the choices was randomized, with four different orders. Table 1 presents a sample set of eight choices to illustrate the choice task. Given a sample of 391, 391 x 8 = 3,128 choices were presented to respondents. There were missing values for 458 (15%) of the choices, which is considered low enough to avoid concerns about item nonresponse bias (there was also a low level of nonresponse on other items, such as income, included in the following analyses).

Independent Veriables		Cirmificance
Independent variables	Coefficients	Significance
Constant	-0.1469	0.685
		Attributes:
Jobs	0.0202	0.000
lax reduction	0.2053	0.000
Rubbish	-0.0138	0.000
Cars	-1.3389	0.000
		Individual/Situational Characteristics:
Age	-0.0167	0.000
Dependence 2	0 5140	0.000
Dependence 3	0.1228	0.498
Dependence 4	0.8471	0.000
Education 2	0.4038	0.005
Education 3	0.0253	0.923
Education 4	-0.0724	0.590
Education 5	-0.0369	0.859
Incomo 2	0 5204	0.010
Income 3	0.0304	0.694
Income 4	0.0043	0.157
Income 5	0.5875	0.013
Income 6	0.8370	0.008
Income 7	0.4966	0.295
Location AS	-0.2513	0.263
Location GM	-0.9897	0.000
Location ST	0.0671	0.772

Table 2. Choice Modeling Logit Model^{a,b}

Note a: Dependent variable is probability of choosing the change alternative.

Note b: Likelihood ratio test for overall model fit: significance=0.000. Percent correct predictions: 77%. Number of observations (choices): 2,394.

Study Results

The CM logit model is shown in Table 2, included variables are described in Table 3, and selected probabilities are presented in Tables 4 and 5. Initial linear and square root models were estimated; the linear model fit best and was retained. Next, non-

significant variables were dropped from this model. Specifically, respondent gender, whether born on Bornholm, and years of residence there were not significant (all significance tests based on P = 0.05). Dummy variables were retained when they formed part of a set that was significant based on likelihood ratio tests. The final model shown in Table 2 fit the data well, with a likelihood ratio test indicating model significance at better than P = 0.000.

Additional models were tested with interactions among the attribute variables and other variables. In particular, the location x cars interaction variable was significant (and reduced the significance of the two variables individually), but location did not interact significantly with other attribute variables. This suggests that the significance of the location variable in Table 2 is based on different perceptions and valuations of traffic problems across the four communities. Other interactions provided less clear-cut results. For example, the interaction between jobs and dependence was not significant. This suggests that dependence affects overall voting behavior, but does not affect valuation of new jobs in particular.

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Jobs	Number of new jobs in the community
Tax reduction	Annual tax reduction in kroner (thousands)
Rubbish	Percentage increase in the amount of rubbish on the coast
	and in the community each summer
Cars	Number of additional tourist cars in the community each
	summer (thousands)
Age	Age in years
Dependence	Dependence of household income on tourism, both directly
	and indirectly (base
	of 1=independent, 2=somewhat dependent, 3=dependent,
	4=very dependent)
Education	Respondent educational level (base of 1=up to 10 years,
	2=trainee/basic vocational course, 3=10±13 years, 4=13
	years and vocational education, 5=13 years and academic
	education)
Income	Annual pre-tax household income (base of 1=less than
	100,000 kr, 2=100,000-200,000 kr, 3=200,000-
	300,000 kr, 4=300,000-400,000 kr, 5=400,000-
	500,000 kr, 6=500,000-700,000 kr, 7=more than
	700,000 kr)
Location	Community (base=Østerlars, AS=Allinge-Sandvig,
	GM=Gudhjem-Melsted, ST=Sandkås-Tejn)

Table 3.	Descri	ption o	f Included	Variables
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Community	Probability (250 cars)	Probability (100 cars)
Combined	0.468	0.518
Østerlars	0.549	0.598
Allinge-Sandvig	0.486	0.537
Gudhjem-Melsted	0.312	0.356
Sandkås-Tejn	0.566	0.614

Table 4. Support Probabilities: Variation in Community and Number of Cars^a

Note a: In all cases, jobs=30, tax reduction=2,000 kr, and rubbish=10%.

In general, the significance and sign of the coefficients in Table 2, as well as the related results in Tables 4 and 5, follow expectations. Each of the attribute coefficients has the expected sign and is highly significant. The sign for age is negative, which indicates that older people are less likely to support a given scenario than are younger people, possibly as a result of less need for scenario benefits or simply of resistance to change generally. As a set, the dependence variables are highly significant, with greater degrees of dependence generally (though not exclusively) leading to greater probability of supporting a given change.

The signs for the education dummy variables, together with the related results in Table 5, suggest that respondents with up to 13 years of education are the most likely to support tourism expansion. This is particularly true for respondents at the trainee/basic vocational course level, a result not surprising considering that the industry would hire many such employees. The relationship between income and probability of voting for a scenario is not consistent, though there is some indication that respondents with annual household incomes in the following ranges are most likely to vote for a scenario: 100,000 to 200,000 and 400,000 to 700,000 kroner.

Education level	Probability (Reduction=1,000 kr)	Probability (Reduction=2,000 kr)
Combined	0.467	0.518
Up to 10 years	0.451	0.502
Trainee/basic vocational course	0.552	0.602
10-13 years	0.457	0.509
13 years and vocational education	0.433	0.484
13 years and academic education	0.442	0.493

 Table 5.
 Support Probabilities: Variation in Educational Level and Tax Reductiona

Note a: In all cases, jobs=30, rubbish=10%, and cars=100.

Lastly, the coefficients in Table 2 and the probabilities in Table 4 illustrate important differences in voting behavior across communities. Sandkås-Tejn residents are most likely to vote for the scenario changes, while residents of Gudhjem-Melsted are least likely. As noted above, these differences can be explained by different perceptions and valuations of traffic across communities. Sandkås-Tejn lies on either side of the main road in the region, and additional traffic apparently is perceived to most likely occur on the main road, with little effect on residential areas. On the other hand, Gudhjem-Melsted lies somewhat off the main road and contains small, winding streets in the retail and residential area. Additional traffic apparently is perceived to most likely occur in these areas rather than on the main road, and would thereby exacerbate current traffic problems.

Tables 4 and 5 also illustrate the extent to which a given scenario would be expected to be supported by residents, and what might be done to increase acceptance. For example, the first column of Table 4 indicates that fewer than half the residents, on a combined community basis, would support a project or development path that would lead to 30 new jobs, a tax reduction of 2,000 kroner, a 10% increase in rubbish, and 250 more cars. However, this support would increase to greater than half if action were taken to reduce the number of cars while keeping other outcomes constant. This action might include, for example, changes to traffic flow patterns within the community or creation of a parking area outside the community combined with a shuttle bus service.

Likewise, the first column of Table 5 illustrates the level of support for a project or development path that would generate 30 new jobs, 10% more rubbish, 100 new cars on the road, and 1,000 kroner of tax reduction. This would lead to a combined probability of support of only 0.467. However, if the tax reduction could be increased to 2,000 kroner, acceptance would increase to 0.518. The increased tax reduction might be achieved, for instance, by increasing tourism and related business sales through increased per capita spending, which might involve targeted marketing toward higher spending tourists. Of course, these examples are hypothetical and are used to illustrate how project outcomes affect resident support for projects, as well as how potential changes could increase predicted support.

Lastly, the coefficients in Table 2 can be used to estimate marginal rates of substitution and resident economic welfare changes associated with project outcomes. For example, residents would be willing to accept 153 new cars on the road or a 15% increase in rubbish in exchange for a tax reduction of 1,000 kroner. Tradeoffs need not include the monetary measure of a tax reduction. For example, residents would be willing to accept 226 new cars on the road or a 22% increase in rubbish in exchange for 15 new jobs.

Equation 8 in Boxall et al (1996:251) provides the basis for calculating Hicksian compensating surplus measures of economic value associated with tourism development scenarios (this equation accounts for scenario-related welfare effects, such as opposition to change generally, that are not incorporated in the attribute coefficients, and thus the marginal rates of substitution). Applying this formula to the attribute levels for the scenarios shown in Table 5 provides an estimate of -657 kroner for combined mean economic value for a scenario of 30 new jobs, 10% increase in rubbish, 100 additional cars, and 1,000 kroner in tax reduction. Predicta-

bly, this increases to 343 kroner for a change from 1,000 to 2,000 kroner in tax reduction. This parallels the move from a probability of less than 0.5 in the first column (1,000 kroner reduction) to more than 0.5 in the second column (2,000 kroner reduction).

Conclusion

Research into host attitudes toward tourism has provided significant insight into what impacts are of concern to residents and why they have the attitudes they do. However, given that tourism, like all industries, generates a combination of positive and negative impacts, there remains the difficulty of identifying which tourism projects and development paths make a positive contribution, overall, to resident welfare within a community. This difficulty can be overcome by evaluating the tradeoffs that residents are willing to make. Lindberg and Johnson (1997a) reported on a CV approach to measuring selected impacts in the metric of economic value, thereby facilitating evaluation of resident tradeoffs. The present article reports on a CM approach as a more general method for such evaluation.

The good model fit with significant and largely expected signs on coefficients suggests that surveyed residents understood the task and responded in a manner consistent with their preferences. Results indicate that residents are willing to accept the negative impacts of tourism development provided that they also receive positive impacts. The rate at which they are willing to trade the negative for the positive can be used to evaluate whether potential projects or development paths in these communities will be beneficial in terms of either being supported by the majority of residents or making a net positive contribution to their economic welfare. Of course, the results reported here are based on this specific survey effort and the preferences of the specific respondents. Application elsewhere is encouraged in order to identify variability in willingness to make tradeoffs, as well as factors causing this variability.

In addition, various methodological issues relating to CM applications in this context or others warrant further exploration and evaluation. For example, Carson et al (1994) note that the *average* choice survey involves seven attributes, four alternatives per choice, and four choices. The current application utilized eight choices, but only four attributes and two alternatives per choice in order to minimize respondent cognitive burden. Given that tourism can generate many more than four different types of impacts, the number of attributes that respondents effectively can consider should be explored. Even with only the four attributes in the present study, debriefing during pre-tests suggests that some respondents focused on only a subset of the attributes. Nonetheless, this issue requires further and more systematic evaluation. Following the Boxall et al (1996) application in the environmental quality context, empirical comparisons of CV and CM results also would be worthwhile. Additional methodological issues that warrant evaluation include the potential for strategic behavior by respondents trying to avoid implementation of an alternative, how best to deal with households (and other social groups, rather than individuals) as units of evaluation and economic value, and understanding responses to packages of policy options vis-à-vis responses to separate policy items.

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2.3 Market Segmentation and the Prediction of Tourist Behavior: The Case of Bornholm, Denmark

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Abstract

Data from a visitor survey carried out on the Danish Island of Bornholm during 1995/96 are analyzed using multivariate techniques. Factor analysis of visitors' preferences and behavior patterns indicated three main areas of interest: relaxation, nature and local culture. In addition, two distinct clusters were derived from the data corresponding to *active* and *inactive* vacationers. *Actives* were more likely to be Germans, to plan their vacation carefully to exercise autonomy in their booking of transport and accommodation and to value the provision of amenities on the island. *Inactives* were more likely to be Danes and less likely to plan their time. This group were, however, more likely to visit the island's most popular attractions. On the basis of multiple regression analysis and other techniques, it is suggested that the most important differentiating factors between clusters are (1) the importance accorded to amenity provision (2) planning behavior (3) nationality and (4) autonomy. The contribution made by these results is discussed in the context of a literature review.

Keywords: Destination marketing, market research, segmentation, multivariate analysis, visitor behavior, demographics, psychographics.

Introduction

This article is concerned with the market segmentation of visitors to the Danish Island of Bornholm. This mature vacation destination, located in the Baltic about 100 miles East of Copenhagen, is popular with Germans and Scandinavians, and offers a largely unspoiled natural environment, in which can be found cultural-historic attractions as well as unique local arts and crafts. This report evaluates demographic, attitudinal and behavioral data from an on-going visitor survey as the basis for tourist segmentation. Reports of segmentation exercises in the academic literature are reviewed and their principles applied to Bornholm, which thanks to its isolation, provides comprehensive and coherent visitor survey data.

Market segmentation seeks to identify some easily-identifiable characteristics, with which the purchasing behavior of sub-groups within the market may be predicted and targeted. In fact this always presupposes a double segmentation. The reality of the situation is that segment 1, identified a priori from some kind of socially descrip-

tive data is compared with a distinctive type of purchasing behavior, which a posteriori *defines* segment 2. Predictive power is related to the overlap between segment 1 and segment 2.

Demographic and socio-economic characteristics have long been used as the basis of segmentation. However the power of age, gender and wealth to predict purchasing behavior is markedly situation-dependent, because they are only indirectly related to buying intentions. Therefore marketers increasingly augment these *secondary segmentation factors* with psychometric measures of attitudes and values, but these are themselves of limited predictive value and the science of segmentation has concentrated upon comparing them. Thus the original comparison of descriptive segments with behavioral ones tends to develop into a multiple comparison, with new segmentation criteria constantly being devised and applied.

Early segmentation studies in tourism

Lowyck, Van Langenhove and Bollaert (1990) present one of the earliest reviews of published tourist segmentation studies, identifying three generally-used bases for market segmentation: demographic, socio-economic and psychographic. They note the weaknesses of the first two categorizations and review seven tourism segmentation studies, broadly based upon psychographic approaches. These are summarized below.

- Cohen (1972) differentiates tourists using sociological principles into organized mass tourists, individual mass tourists, explorers and drifters. However, this work is not based on any empirical data.
- Plog (1973) uses a psychometric scale to categorize tourists into allocentric, near-allocentric, mid-centric, near-psychocentric and psychocentric, depending upon individuals' relative focus upon their own culture and the one they are visiting.
- Perreault, Darden and Darden (1977) use a mixture of economic, social and attitudinal factors, identifying the segments: budget travelers, adventurers, homebodies, vacationers, moderates.
- The Westvlaams Ekonomisch Studiebureau (1983) conducted a survey of Belgian adults, identifying: segments on the basis of behavioral intention as active sea lovers, contact-minded vacationers, nature viewers, rest-seekers, discoverers, family-oriented sun and sea lovers, and traditionalists.
- Dalen (1989) surveyed the attitudes of Norwegian adults producing a segmentation along two axes: modern (adventurous)-traditional (conservative) and materialist (pragmatic)-idealist (intellectual). From this they define four *types*: modern materialist, modern idealist traditional idealist, traditional materialist.
- Gallup Organization (American Express, 1989) use the results from a large scale demographic, economic and attitudinal survey to identify five segment types: adventurers, worriers, dreamers, economizers, indulgers.

• Plog (1987) claims that all existing typologies can be summarized by eight tourist characteristics: venturesomeness, pleasure seeking, impassivity, self confidence, planfulness, masculinity, intellectualism, people orientation.

The segmentations of Cohen and Plog referred to by these authors should be considered typologies rather than true segmentations, since they are ideal, rather than empirical groupings. Nevertheless, these and other such typologies have had a considerable impact upon tourism studies. From their review, Lowyck, Van Langenhove and Bollaert (1990) propose two approaches to the development of tourist market segmentation. In matrix typologies, individuals could be allocated fuzzy membership of several segments, with one predominating, while *processual* categories might be based upon tourists' long term behavior. These authors comment on the contemporary paucity of segmentation studies in the academic literature:

Most ... psychographic research is conducted with commercial goals and consequently very few results can be found in the public domain: very little is published in scientific professional journals (op. cit. p. 16).

Since 1990 there has been an explosion in university tourism courses worldwide, and commensurate recruitment of tourism lecturers, often from industry. These individuals have had to produce academic research, and many have a marketing background. Probably for these reasons, the tourism literature of the mid and late 1990s shows numerous segmentation studies, and a range of novel segmentation criteria. These publications are summarized below under four pertinent areas: demographic, psychographic, behavioral and needs.

Demographic segments

There is general agreement that demographic segmentation is a poor predictor of tourist behavior. For instance Prentice, Witt and Hamer (1998) note that demographic variables were poor predictors of tourists' perceptions of the Rhondda Heritage Park, compared with attitudes towards particular experiences. Andereck and Caldwell (1994) report that a four-way segmentation of zoo visitors: vacationers vs. nonvacationers and in-state vs. out-of-state visitors was related significantly to trip characteristics, motives, satisfaction and enjoyment but not to demographic characteristics. However, Cha, McCleary and Uysal (1995) note that age and education were statistically significant predictors in their study of Japanese foreign travelers' behavior and Morrison et al. (1996) demonstrate that demographics are effective for predicting the behavior of casino visitors. Mudambi and Baum (1997) report that country of origin was more important than other demographic and behavioral characteristics in influencing visitor spending behavior in Turkey.

Psychographic segmentation

A general preference for psychographics as a basis for segmenting tourism markets is evidenced by their continuing adoption for studying *novel* tourism products such as nature based tourism (Silverberg, Backman and Backman, 1996). The traditional market research association approach described by Lowyck and his colleagues can also be found, with added sophistication appropriate to the passage of time. For instance Mazanec (1993,1994) uses a neural network to identify a Eurostyles typology covering objective, behavioral, and attitudinal criteria, together with motivations, aspirations and affective characteristics. This work probably comes closest to Lowyck's idealized matrix approach mentioned above. However, the segment types identified, e.g. Rocky, Defense, and Romantic, strongly recall earlier segmentations discussed above, especially that of the Gallup Organization (American Express, 1989). Comparison with Plog's (1987) eight characteristics raises questions about the Eurostyles' specific relevance to tourism. On the other hand, a new situation may demand a new typology. In the paper discussed above, Cha, McCleary and Uysal (1995) augment their demographic information with attitudinal data to identify three distinct groups of Japanese leisure traveler; sports seekers, novelty seekers, and family/relaxation seekers. Dodd and Bigotte (1997) use a similar approach, integrating socio-demographic base data with scaled assessments of wine appreciation.

Some researchers build overtly upon existing categorizations from the literature. Thus Griffith and Albanese (1995) report on an evaluation of Plog's (1987) psychographic travel model using a student population as subjects, where they differentiate between three personality traits related to reported travel behavior. Mo, Havitz and Howard (1994) claim that few studies use theoretically sound, tried and tested instruments, and fill a perceived gap by developing the International Tourism Role (ITR) scale, based upon Cohen's (1972) tourist role typology (discussed above). They report its use on 461 respondents, from whom four clusters were obtained and confirmed using socio-demographic and behavioral variables.

Despite a current trend towards cultural determinism (evidenced for example by the growing number of references to postmodernism in the tourism literature) there are comparatively few studies based upon values, apart from importance-performance analysis exercises. An example of a segmentation on this basis is however reported by Madrigal and Kahle (1994), who found that for English-speaking tourists visiting Scandinavia, personal value systems were better predictors of activity preferences than demographic differences. This recalls the work of Oppedijk van Veen and Verhallen (1986) which uses domain-specific values (rather than global value systems) for explaining vacation behavior. Values in this context are closely comparable to the *experiential attitudes* which formed the basis for the Prentice, Witt and Hamer's (1998) segmentation study. Another interesting basis for segmenting tourist markets is that of risk perception, which can act as either a deterrent or attraction to potential travelers. Roehl and Fesenmaier (1992) identify three independent dimensions

of perceived risk in traveling and were able to categorize three market segments with substantially different risk perceptions about travel.

Behavior

Logically the most effective predictor of tourist behavior should be the behavior itself. It is of course impossible to assess this except as an a posteriori study, in which the observed behavior of visitors is catalogued and stability assumed, in order to predict the behavior of future visitors. On the other hand behavioral *intention* can in principle be measured with psychometric scales and used to predict actual behavior, although estimates of the efficiency vary (Ajzen and Fishbein, 1980). There is little distinction to be made between this approach and some of the psychographic ones described above. For example Court and Lupton (1997) combine demographic characteristics with behavioral attitude measurements in order to identify *adopters, inactives* and *rejecters* in a sample of potential out-of-state visitors to New Mexico. Keng and Cheng (1999) employ behavioral attitude measurements to identify four tourist roles, based upon a novelty-familiarity dimension.

Many studies aim to compare measures of behavioral preferences and other attitudes with socio-demographic characteristics. For instance Meric and Hunt (1998) produce a typology of ecotourists in North Carolina by comparing, and eventually combining, activity preferences and attraction visiting patterns with socio-demographic data. However since economic and demographic factors are often poor predictors, they are omitted from the combination by some researchers. For instance Hsu and Sung (1997) compare the preferences of college students for restaurant, lodging and transport styles using discriminant analysis. Similar pragmatic comparisons are reported by Chen and Kerstetter (1998) who relate travel behavior and socio-demographic variables and by Formica and Uysal (1998) who identify two distinct groups of visitors: *enthusiasts* and *moderates* at the annual Spoleto festival in Italy. Another interesting behavioral study is that reported by Pritchard and Howard (1997) who segment users of tourist services on the basis of loyalty, identifying four types: true, spurious, latent, and low.

Another interesting area of study is pre-purchase/pre-travel behavior. For example Fodness and Murray (1998) differentiate travelers by the resources used for planning trips while Bonn, Furr and Susskind (1999) segment potential travelers on the basis of Internet use. Such studies offer insight into market accessibility and buyer behavior, but are probably of limited predictive use in terms of visitor behavior or spend at the destination.

Other researchers report a posteriori studies of tourist behavior. For instance Littrell et al. develop four behavioral tourist profiles on the basis of souvenir buying and tourism styles. They list these as the *ethnic, arts, and people, history and parks, urban entertainment* and *active outdoor* styles respectively. Spotts and Mahoney (1993) examine the characteristics of summer and fall visitors to Michigan Upper

Peninsula, concluding that fall visitors in fact represent a number of different segments, quite distinct from the more homogeneous summer market.

Benefits, needs and constraints

Like many *behavioral* studies, the analysis of tourist needs or of the benefits they seek is based upon self-reporting, either of experience or expectations, and is thus more or less psychographic in nature. This is predictable, given the *virtual*, experiential nature of most tourist benefits. Shoemaker (1994) demonstrates that travel motivations can be inferred from consumers' past travel experience, with a non destination-specific segmentation by benefits. He identifies three major market segments: *get away/family travelers, adventurous/educational* and *gamblers/fun oriented* travelers. On an a posteriori basis, Tian, Crompton and Witt (1996) use the constraints and benefits reported by museum-goers to identify four potential markets. Prentice, Witt and Hamer (1998) in the paper cited above demonstrate the segmenting power of visitors' attitudes towards their experiences, while Kastenholz, Davis and Paul (1999) identify four benefit segments among visitors to north and central Portugal.

The general picture in market segmentation exercises is of mixed a priori and a posteriori data used to derive segments from which subsequent tourist behavior is predicted. There seems to be little difference between generalized psychographic segmentations and methods based upon behavioral intention or needs analysis, although the latter could claim to be more focused in scope. It is common to segment in a sequential pattern, starting from socio-demographics and adding in selected psychographic and behavioral variables. Current segmentation practice is well exemplified by Zins' (1998) study of leisure travelers' hotel choice, in which he ranks the variables upon which he based his segmentation: (1) personal values (2) vacation style (3) benefits sought and (4) lifestyle.

The remainder of this paper compares demographic, attitudinal and behavioral segments of Bornholm visitors, in order to evaluate the predictive power of survey data. The variables used were chosen to match those used in the literature reviewed above, and multivariate analysis was employed to derive the segments. Specific objectives were as follows:

- 1. To identify, as far as possible as simplified components, visitors':
 - perceptions of the importance of Bornholm's amenities;
 - patterns of participation in various activities available on the island;
 - patterns of sightseeing, i.e. of visiting attractions on the island.
- 2. To interrelate these factors in order to identify patterns of common preference, e.g. for *nature* rather than for *culture*.
- 3. To relate overall levels of tourist activity (i.e. perceptions of amenities, participation in activities and visiting behavior) to other factors, especially demographics, autonomy and planning behavior.

4. To identify clusters of visitors in relation to demographic and behavioral characteristics.

Data

All visitors to Bornholm have to enter and leave the island either by air or ferry, and since 1995 Bornholm's Research Center has produced an annual survey, by interviewing visitors passing through the island's ferry terminal and airport. The full survey methodology is described elsewhere (Hartl-Nielsen, Rassing-Riis and Wanhill, 1996). Data used in the present analysis were derived from the Bornholm Visitor Departure Survey of July 1995 - June 1996. Surveying was extensive during this (first) year, since there was a perceived need to compensate for a long-standing paucity of data, and between summer 1995 and summer 1996 the views of 4967 departing visitors were gathered. However, the present study examined only the items relating to visitor attitudes and behavior with respect to vacation activities. Bornholm is a highly seasonal destination, and during autumn, winter and early spring months, respondents ignored items relating to attractions and vacation activities, since these were unavailable or irrelevant at this time. Thus the final usable sample consisted of 1099 responses.

The Bornholm survey is wide-ranging, with items relating to purpose of visit, demographic data, attitudes, reported behavior and economic factors. In order to provide demographic, attitudinal and behavioral data, the present study employed data from the following areas of the survey:

- 1. Socio-demographic items such as age and gender, party size and composition.
- 2. Items relating to the way visitors had arranged their vacation, i.e. through an agent as a package and so on. These provided a measure of visitors' autonomy.
- 3. Three series of items relating to attitudes/values and behavior. In all cases these were drawn up using data from focus groups of visitors and local tourist providers.
 - Series i. A list of 12 amenities to be found on the island, including facilities for walking, fishing, golf and cycling, as well as restaurants and craft workshops. Visitors were asked to rate these items on a four-point scale from unimportant to very important.
 - Series ii. A list of 19 vacation activities, including guided coach tours, scenic air flights, cinema, horse racing and boating trips, but also shopping, cycling and going to the beach. Visitors were asked to indicate with *yes* or *no* what they had planned to do and what they had actually done during their stay on the island.
 - Series iii. A list of 30 attractions offered by the island, which included landscape and architectural features as well as museums and entertainments. Departing visitors were asked to indicate with *yes* or *no* what they had planned to see, and what they had actually visited during

their stay. This provided a posteriori data about attraction visiting behavior.

4. Planning behavior was assessed by summing the number of times respondents indicated that they had planned to see attractions or participate in activities listed in Series ii and iii respectively.

Results and discussion

Derivation of factors

All variables were examined for features such as modality and spread, using a variety of statistical and graphical representations. Visitors' assessments of the importance of each amenity (Series i) were reduced by principal components analysis based on product-moment correlations. Components were rotated by the Varimax procedure and a four-factor structure confirmed using a scree plot (Kim and Mueller, 1978). The four factors, which accounted for 53.7% of total variance, are shown in Table 1.

	Factor 1	Factor 2	Factor 3	Factor 4
Atmosphere	0.666	0.179	0.129	0.250
Craft, art workers	0.638	0.203	0.107	0.141
Restaurants	0.621	0.184	0.144	0.229
Fishing villages	0.559	0.307	0.040	0.021
Cultural history	0.527	0.273	0.346	0.239
Walk	0.052	0.736	0.080	0.243
Landscape	0.221	0.730	0.020	0.205
Nature	0.251	0.689	0.051	0.259
Beaches	0.135	0.042	0.786	0.072
Cycle paths	0.145	0.423	0.608	0.257
Fishing	0.051	0.071	0.050	0.678
Golf courses	0.105	0.155	0.021	0.609
Cronbach's alpha	0.639	0.602	0.424	0.276

Table 1. Factor structure obtained for importance ratings of amenities (Series i)

The Series i *amenities* factors were interpreted as follows:

- Factor 1 Socio-cultural aspects of the island, including its atmosphere.
- Factor 2 Nature and scenery.
- Factor 3 *Relaxation* and a slower pace of life.
- Factor 4 *Enthusiast* activities, i.e. fishing and golf.

For factors 3 and 4, values of Cronbach's alpha (shown in the Table 1) were below 0.500 indicating a potential weakness in the factor structure (Nunnally, 1978). The variables were therefore subjected to hierarchical clustering to confirm the patterns. A three cluster structure was obtained, which showed differentiation between *nature*, *culture* and *enthusiast activities* but included the *relaxation* items *beach* and *cycling*

with others concerned with nature. Factor scores were calculated as the sum of each set of component variables for each case, and were used for subsequent analysis.

Visitors' participation in Series ii activities (coach tours, boating trips etc.) was digital in nature, and therefore the correlation procedure could not be meaningfully used with them. Instead, correspondences between pairs of variables (i.e. the fraction of cases that had undertaken any two visits/activities) were calculated. The resulting correspondence matrix was subjected to principal components analysis and the components rotated by the Varimax procedure. The four-factor structure shown in Table 2 was confirmed using a scree plot, the four factors accounting for 62.9% of the total variance.

	Factor 1	Factor 2	Factor 3	Factor 4
Scenic air flight	0.800	0.062	0.193	0.005
Horse racing	0.731	0.116	0.430	0.027
Golfing	0.713	0.186	0.058	0.104
Boat trip	0.690	0.321	0.031	0.145
Go to cinema	0.654	0.094	0.165	0.145
Eating out	0.624	0.141	0.132	0.364
Music recitals	0.597	0.155	0.384	0.101
Fishing	0.591	0.221	0.290	0.083
Swimming in the sea	0.283	0.869	0.007	0.080
Going to the beach	0.284	0.866	0.034	0.066
Walking on my own	0.036	0.825	0.332	0.240
Cycling	0.029	0.770	0.493	0.008
Swimming in a pool	0.338	0.627	0.255	0.136
Just relaxing	0.230	0.278	0.768	0.384
Windsurfing	0.291	0.455	0.688	0.024
Shopping	0.554	0.000	0.635	0.010
Guided coach tour	0.150	0.178	0.067	0.899
Driving around	0.419	0.185	0.211	0.751
Guided walk	0.477	0.216	0.161	0.543

Table 2 Factors obtained from the correspondence analysis activity items (Series ii)

The Series ii *activity* factors showed differentiation between relaxation, socialcultural and nature-oriented activities analogous to that obtained for Series i, i.e.:

Factor 1 *Outdoor* activities with a *social* content, rather than a *nature* focus.

Factor 2 *Outdoor* activities involving *nature*, i.e. sea or landscape.

Factor 3 *Relaxing* activities (although windsurfing seems to be an anomaly).

Factor 4 *Sightseeing*.

Factor 1 apparently included a high diversity of miscellaneous vacation activity, but in fact the nine activities within it were comparatively infrequently undertaken (mean

frequency 155 per attraction). Factors 2 and 3, which suggested relaxed vacations centered around the beach and towns, had mean participation rates of 623 and 698 respectively. Factor 4 activities showed a mean participation rate of 442, but this was mainly due to the item *driving around* which was indicated by most respondents. Mean scores were calculated for each of these *activities* factors.

Series iii *attraction* data were also digital in nature, and hence were subjected to a similar correspondence analysis to that used with the *activities* data of Series ii. Principal components analysis of the correspondence matrix, followed by Varimax rotation, produced the four factor structure shown in Table 3. The structure was verified by means of a scree plot, and the four factors accounted for 69.6% of the total variance.

Attraction	Туре	Factor 1	Factor 2	Factor 3	Factor 4
Vilhelm Herold Museum	Local interest	0.776	0.081	0.085	0.064
Randkløve Skår	Nature	0.756	0.055	0.028	0.423
Defence museum	Local interest	0.707	0.105	0.042	0.185
Quarry museum	Local interest	0.696	0.046	0.059	0.216
Jons Kapel	Nature	0.694	0.174	0.189	0.136
Lighthouse	Local interest	0.669	0.054	0.065	0.407
Zoo	Entertainment	0.655	0.056	0.081	0.197
Eriksens Gård	Historical	0.642	0.156	0.239	0.186
Farm museum	Historical	0.627	0.061	0.248	0.268
Martin A. Nexø museum	Cultural	0.618	0.068	0.067	0.192
Nexø Museum	Local interest	0.598	0.078	0.091	0.135
Rytterknægten	Nature	0.592	0.181	0.011	0.586
Paradisbakkerne	Nature	0.587	0.026	0.110	0.490
Automobile Museum	Local interest	0.568	0.020	0.010	0.073
Fish Smoke House	Entertainment	0.239	0.936	0.030	0.044
Østerlars Round Church	Historical	0.052	0.920	0.100	0.037
Other Churches	Historical	0.038	0.877	0.179	0.019
Hammershus Exhibition	Historical	0.031	0.852	0.175	0.046
Hammershus Castle	Historical	0.035	0.841	0.088	0.015
Glass shop	Cultural	0.271	0.830	0.260	0.094
Christiansø	Historical	0.112	0.769	0.206	0.034
Brændesgårdshaven	Entertainment	0.054	0.729	0.104	0.048
Gardens	Cultural	0.111	0.093	0.872	0.012
Art Gallery	Cultural	0.022	0.399	0.742	0.030
Bornholm Art Museum	Cultural	0.051	0.358	0.684	0.162
Ceramists workshop	Cultural	0.085	0.491	0.681	0.043
Bornholm Museum	Local interest	0.365	0.018	0.491	0.225
Helligdomsklipperne	Nature	0.167	0.154	0.077	0.735
Ekkodalen	Nature	0.535	0.148	0.056	0.610
Gudhjem museum	Local interest	0.481	0.052	0.154	0.574

 Table 3. Factors obtained from correspondence analysis of attraction visit items (Series iii)

These *attractions* factors had the following properties:

- Factor 1 *Local interest.* Almost all of these attractions were typical of Bornholm, but of little relevance outside the island, and they had no other strong feature linking them together.
- Factor 2 *The sights* unlike the items in Factor 1, these attractions were all frequently featured on destination publicity materials, postcards and advertisements for services (such as the Bornholm Ferry)
- Factor 3 Predominantly *cultural* and apparently for the discerning visitor. The only *odd* item in the set was Bornholm Museum (ostensibly of local interest) which had a relatively low factor loading.
- Factor 4 Predominantly *natural* in theme, with the anomalous inclusion of Gudhjem Museum (which again had a relatively low factor loading).

The actual frequencies with which attractions were visited varied considerably between the factors. The 15 attractions making up *factor 1* had a mean visiting frequency of 114. *The sights* of factor 2 were clearly the most popular, with a mean frequency of 466. Factor 3 attractions, with their specialist interest in art and culture received a moderate level of visits (mean frequency 251), as did the *natural* attractions of Factor 4 (mean frequency 282).

In addition to these data, the survey elicited from respondents whether they had planned to use particular amenities/activities or to visit particular attractions. This *planning* data was summed across all amenities and attractions to give a new *planning* variable, which could be correlated and tested against the factors described above. The autonomy displayed by visitors in arranging their vacations was estimated by asking respondents whether they had booked their vacation and accommodation independently or through an agent. In addition the questionnaire elicited respondents' nationality, age range, gender, and visiting group details.

Relationships between Variables

The three sets of factor structures seemed overall to show at least three identifiable groups, categorised by concern for:

- *nature* and the natural environment (Series i factor 2; Series ii factor 2; Series iii factor 4)
- culture and the sociocultural environment (Series i factor 1; Series ii factor 1; Series iii factor 3)
- relaxation and vacationing (Series i factor 3; Series ii factor 3 & 4; Series iii factor 2)

Table 4. Signific	ance val	lues of χ^2 a	nd correlati	ions (r) for (cross tabula	ations betwe	en factors		
		Series ii,	Series ii,	Series ii,	Series ii,	Series iii,	Series iii,	Series iii,	Series iii,
		Factor 1:	Factor 2:	Factor 3:	Factor 4:	Factor 1:	Factor 2:	Factor 3:	Factor 4:
		Outdoor/	Outdoor/	Relaxing	Sight-	Local	The sights	Culture	Nature
		social	nature		seeing	interest			
Series I, Factor 1:	N (V 2)	0.057	0.152	0.004	0.611	0.381	0.032	0.017	0.144
Sociocultural	с Хч			0.150	0.094		0.129	0.168	
Series I, Factor 2:	n (V 2)	0.341	<0.0005	<0.0005	0:050	0.226	0.174	0.587	0.687
Nature & scenery	, , , ,	0.120	0.116	0.144	0.119	0.129		0.110	
Series I, Factor 3: Relaxation	p (χ²) Γ	0.954	<0.0005 0.304	<0.0005 0.164	0.432	0.653	0.247 0.090	0.609	0.840
Series I, Factor 4: Enthusiasts	p (χ²) r	<0.0005 0.116	0.599	0.496	0.647	0.502	0.234	0.593 0.104	0.182
Series iii, Factor 1: Local interest	p (χ ²) r	0.088 0.179	0.555	0.001 0.145	0.716	Summary			
Series iii, Factor 2: The sights	p (χ²) r	0.125 0.135	0.791	0.112 0.101	0.173		Series i/ Series ii	Series i/ Series iii	Series ii/ Series iii
Series iii, Factor 3: Culture	p (χ²) r	0.038 0.129	0.564	0.077	0.192	Significant X ² (no.)	7	2	4
Series iii, Factor 4: Nature	p (χ^2)	0.018 0.147	0.687	0.007 0.077	0.262	Significant r (no.)	6	9	6

In order to investigate these relationships further, the mean scores of all three factor sets were grouped in quartiles and cross-tabulated against each other. Relationships were identified through a range of statistics, including χ^2 , ϕ , Pearson's r and Spearman's ρ , which permitted some estimation of confidence and significance. Table 4 shows the results from this analysis. Correlations (Pearson's r) are also shown for all significant (p \leq 0.005) χ^2 relationships. In addition, the table shows those correlations with p \leq 0.005 that accompanied less significant (p >0.05) χ^2 relationships. The number of data cases meant that even relatively low correlations had high significance; for instance a Pearson's r of 0.108 showed a significance of p = 0.001. The summary (bottom right hand corner of the table) shows that relationships were both more numerous and stronger between activities and amenities factors than between attractions and either activities or amenities factors. This is understandable, since in this analysis *amenities* also refers to potential visitor activities. *Relaxing* factors were more strongly interrelated than either of the other groups, but they were also interrelated with the other two groups. The cross tabulation analysis generally bore out the relationships postulated for these factors, as shown in figure 1.



Figure 1. Summary of factor relationships

Relationships between the three factor sets and the demographic variables were also examined, and those with *nationality*, *age and*, *gender* were found to be significant, as reported in Table 5. *Party size* and *party composition*, were also tested, but showed no significant relationships.

	Nationality	Δαρ	Gender	Planning	Autonomy
Sorios I. Eastor 1.	(p) < 0.0005		0.186	0 555	
	(p) <0.0003		0.180	0.555	0.574
	0.0005	(1) -0.046	0.100	0.147	0.005
Series I, Factor 2:	<0.0005	<0.0005	0.130	0.002	0.005
Nature & scenery		-0.015		0.193	-0.041
Series I, Factor 3:	<0.0005	<0.0005	0.322	0.045	0.011
Relaxation		-0.091		0.013	0.071
Series I, Factor 4:	0.066	0.060	0.156	0.949	0.284
Enthusiasts					
Series ii, Factor 1:	<0.0005	< 0.0005	0.486	<0.0005	0.051
Outdoor/social		0.015		0.346	
Series ii, Factor 2:	<0.0005	<0.0005	0.530	<0.0005	0.001
Outdoor/nature		-0.119		0.377	0.080
Series ii, Factor 3:	<0.0005	<0.0005	0.313	<0.0005	0.086
Relaxing		-0.057		0.291	
Series ii, Factor 4:	<0.0005	0.001	<0.0005	<0.0005	0.037
Sight-seeing		0.027		0.243	-0.062
Series iii, Factor 1:	0.006	<0.0005	0.004	0.003	0.213
Local interest		0.124		-0.114	
Series iii, Factor 2:	<0.0005	< 0.0005	<0.0005	<0.0005	0.017
The sights		0.250		-0.312	-0.051
Series iii, Factor 3:	<0.0005	0.004	0.001	0.006	0.496
Culture		0.141			
Series iii, Factor 4:	<0.0005	<0.0005	<0.0005	0.027	0.519
Nature		0.174		-0.098	
Significant χ^2 (no.)	10	11	4	8	5
Significant r (no.)	-	6	-	9	2

Table 5. Significance values of χ^2 for cross tabulations and (where appropriate) correlations between factors, demographic and intention variables

Cross tabulations which showed significant relationships between variables were also interpreted graphically, showing relationships between factor scores and demographic variables. Of particular interest were the relationships between planning behavior and factor scores, which showed clear clusters corresponding to low and high planning scores. Like the results in table 5, these showed a positive correlation with scores on all factors except Series iii, factor 2 *the sights*. In this one case the high planning cluster was predominantly associated with very infrequent visiting, indicating that visitors did not specifically plan to see the most popular attractions.

Clusters

Apart from the single example of Series iii, factor 2, the main feature of the graphical analyses was a series of positive relationships between demographic variables and the *level* of planning or activity. Taken together with the generally indistinct, interrelated nature of the three factor sets, it seemed that the overall level of activity wasa more important segmenting characteristic than the specific sets of activities or aspirations defined by the factors. Therefore cluster analysis was performed on the cases using the total scores for each series. Each respondent's activity importance scores were summed into a *Series i total* and in the same way, activity participation and attraction visiting scores were aggregated into Series ii and Series iii totals. The cluster analysis also used the *planning*, *autonomy* and demographic variables mentioned above. Only two clusters were obtained, and these had the characteristics shown in Table 6:

	Cluster 1	Cluster 2	р	Odds ratio
Population	190	909		
	(17%)	(83%)		
Country of origin				
Denmark	47%	38%	<0.0005	1.22*
Sweden	10%	9%	<0.0005	1.13*
Germany	34%	49%	<0.0005	0.69*
Norway	4%	2%	<0.0005	2.53*
Other	5%	2%	< 0.0005	2.87*
Age (weighted average)	43.7	46.3	<0.0005**	
Gender				
Male	45%	46%	= 0.768	0.96
Female	55%	54%		
Planning				
Low (0-2)	66%	39%	<0.0005	3.04
High (>2)	34%	61%		
Autonomy				
Low (0-1)	41%	38%	= 0.301	1.13
High (2-3)	59%	62%		
Activity importance				
Low (0-3)	97%	1%	<0.0005	3201.00
High (>3)	3%	99%		
Amenity usage				
Low (0-3)	56%	26%	<0.0005	3.62
High (>3)	44%	74%		
Attraction visits				
Low (0-3)	64%	70%	<0.0005	0.76
High (>3)	36%	30%		

Table 6.	Characteristics	of	clusters	derived	from	Bornholm	data

* Based on overall population

** Based on χ^2

Values of the odds ratio close to 1.00 indicate no relationship between the variables represented in the cross-tabulation (Reynolds, 1984). As the table shows Cluster 2 members were more likely than those of Cluster 1 to be Germans than Scandinavians, more likely to plan their vacation in detail, more likely to value a range of avail-

able vacation activities and more likely to undertake activities but less likely to visit attractions. They were slightly older, but graphical evidence showed that the middleaged 39-45 group predominated in this cluster. Gender and the desire for autonomy did not differentiate Cluster membership significantly.

Relationships between different variables within the whole sample were assessed by multiple regression. Total scores for Series i, ii and iii were treated as the dependent variables. Results from this analysis can be seen in Table 7.

A Dependent variable = Activity participation (Series ii)									
	β	t	р						
Planning score	0.387	17.527	<0.0005						
Activity importance score	0.228	10.208	<0.0005						
Age	-0.098	-4.422	<0.0005						
Autonomy score	0.028	1.265	0.206						
Constant		5.371	<0.0005						
B Dependent variable = Attraction visiting (Series ii)									
	β	t	р						
Planning score	-0.446	-15.385	<0.0005						
Amenity usage score	0.316	10.494	<0.0005						
Age	0.215	7.854	<0.0005						
Activity importance score	0.083	2.965	0.003						
Autonomy score	-0.009	-0.350	0.726						
Constant		1.393	0.164						
C Dependent variable = Importance of amenities (Series i)									
	β	t	р						
Planning score	0.176	7.364	<0.0005						
Age	-0.148	-6.135	<0.0005						
Autonomy score	-0.003	-0.110	0.912						
Constant		45.554	<0.0005						

Thus planning and activity importance scores were the best predictors of amenity usage. Planning, amenity usage and age were the best predictors of attraction visiting behavior, but planning was *inversely* related to visiting. Activity importance scores were best predicted by planning and age, but age is also inversely related to the rating. The fact that planning was less strongly related to activity importance than to amenity usage suggested that planning affected action independently of perceptions of importance.
Conclusions

The findings of this study may be summarized as follows. Factors obtained from the different data sets were diffuse, but showed behavioral differentiation between relaxation and between nature- and culture-oriented pursuits. Other authors also note interest-specific segments of this kind. For instance Silverberg, Backman and Backman (1996) and Meric and Hunt (1998) use psychographics to differentiate nature-based *eco-travelers*, while Littrell et al. (1994) identify culture, history and nature orientations of visitors on the basis of their souvenir-buying behavior.

Factor data identified a clear segment concerned with golfing or fishing, but with no other specific activities. This group, which has no counterpart in any other published study, is not currently recognized by Bornholm's marketing authorities and therefore offers scope for the development of a niche market.

There were also identifiable groups who eschewed activities and attractions in favor of *sun, sea and sand*. These are currently recognized, but little effort is made to develop or exploit this segment, which represents an opportunity for further marketing activity.

Perceived importance of facilities was correlated positively with activity participation and with attraction visiting, but the latter correlation was extremely weak. This confirms the planning/activity visiting result, suggesting that attraction visiting played a very different role in the vacation than personal activity.

Two clusters were discernible among Bornholm visitors, which broadly represented *active* and *inactive* visitors. Cluster membership depended upon demographics, values and behavior patterns. The *active-inactive* typology is similar to that reported by Formica and Uysal (1998), but contrasts with the clear, multi-cluster patterns obtained by Cha, McCleary and Uysal (1995), Mo, Havitz and Howard (1994), Keng and Cheng (1999) and Kastenholz, Davis and Paul (1999), based upon behavior, roles and benefits respectively. This may reflect the wide range of interests and vacation styles represented in the Bornholm sample. The graphical evidence also suggests that the clusters were somewhat *fuzzy* with a detectable overlap, depending upon the variable under consideration.

The variables which determined and described these clusters may be ranked as follows: (1) activity importance, (2) planning behavior, (3) nationality, (4) autonomy, (5) age and (6) attraction visiting behavior. Zins' (1998) similarly finds visitor values (i.e. importance ratings) to be the most important clustering factor, but in his study demographics/lifestyle are the least important variables. He identifies vacation style and benefits sought as the second and third most important factors, and these possibly compare with planning behavior, amenity usage and attraction visiting in the present study. However the variables used here were generally more pragmatic and focused than those of Zins, and are perhaps more appropriately compared with the *experiential attitudes* of Prentice, Witt and Hamer (1998).

Planning behavior was correlated positively with activities and the perceived importance of facilities, but negatively with attraction visiting behavior. This was perhaps the most surprising aspect of the study, since other researchers (see Plog, 1987) consider planning activity as a positive indicator of visitor behavior. The present finding may be rationalized by assuming that visitors' principal focus was their personal experience, and especially the activities which comprise it. A number of other points may also be made. Specific attractions are not marketed outside Bornholm, which makes them difficult for visitors to plan into the vacation. Slightly less persuasive is the question of first time versus repeat visitors; in principle the latter are more able to plan attraction visits, but less likely to make them. The summer of 1996 was particularly hot, and therefore less conducive to making (planned) attraction visits, rather than lying on the beach. In addition, many of the attractions charge an entrance fee, which is not declared in the Island's brochures.

Perceived importance of facilities was also the most important variable differentiating the two clusters. This suggests that perceived importance should be used to segment tourists and predict their behavior on the island.

Thus the study reveals a complex picture, encompassing a range of different visitor needs and interests. It may be that a neural network approach, like that pioneered by Mazanec (1994) would be a more effective way to obtain clear segments from such data. Plog's (1987) master typology can be perceived in most of the identifiable visitor attributes, for instance *planfulness* was clearly identifiable and measurable. Visitors in the *inactive* cluster, as well as those concerned with sun, sea and sand may represent *impassivity*, and perhaps *pleasure-seeking*. Venturesomeness and *self confidence* may be related to autonomy, and *intellectualism* to cultural interests. However the present study was not able to identify Plog's attributes masculinity or people orientation among Bornholm visitors. Neither does there seem to be an equivalent among Plog's characteristics for the *nature* interest observed in the present study. It may simply be that nature tourism was a less significant interest at the time of Plog's surveys, and that a new category is needed to accommodate current trends. The validity of the absolute segmentation assumed here (i.e. the assumption of mutually exclusive segments or clusters) may also be questioned. It may be that segmentation for different purposes, e.g. separately for marketing, product development, quality assurance etc. is more appropriate in a case such as Bornholm.

This study suggests that visitors to Bornholm build their vacation much more around activity participation than around specific attractions offered by the island. This is in stark contrast to the object-focused view of the destination which pervades Bornholm's tourist marketing. The implications for marketing of this and other observations made from this study are as follows:

- 1. Promotion of the island as a destination should focus upon activities, rather than on specific attractions.
- 2. Activities should be related either to a nature or culture-oriented style of vacation.
- 3. The image of Bornholm's attractions should be re-focused, to represent activity, rather than (as at present) passive acceptance, or even *duty*.
- 4. The *inactives* cluster represents a marketing opportunity. It should be possible either to *tempt* them to undertake a wider range of activities, for example beach-side activities, which are currently not available on Bornholm. Alternatively, it may be possible to attract more individuals from this segment, increasing the uptake of accommodation and catering facilities on the island.
- 5. The golfing/fishing market, though currently small, is probably worth developing, especially as the two activities span different seasons. Fishing is best in the early and late Spring, golfing in the summer and early autumn. Given that spouses and dependents also need to be entertained, there is an opportunity to extend the (currently short: May-August) season.

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2.4 Backpacker Ethnography

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Abstract

This paper presents an ethnographic study of the travel culture of international backpackers. Their sociodemographic characteristics are described, the contours of a concept of tourism culture are delineated, and on that basis, that of backpackers is outlined, with particular focus on the key phenomenon of road status. The analysis of backpacker tourism as a culture furthers the comprehension of change within the phenomenon. Examples of factors of change include the guidebooks, the short-term backpackers, and in particular the internet. This study demonstrates the merit of a dynamic concept of culture where culture takes place whenever activated by social circumstances.

Keywords: Backpackers, budget travelers, travel culture, culture, ethnography.

Résumé

Ethnographie des routards. Cet article présente une étude ethnographique de la culture du tourisme international des routards. On y décrit leurs caractéristiques sociodémographiques, on y expose les grandes lignes d'un concept de la culture du tourisme et, par suite, on brosse un tableau du tourisme des routards en se portant surtout sur le phénomène clé du prestige de la route. L'analyse du tourisme des routards favorise la compréhension du changement dans ce phénomène. Quelques exemples des facteurs de changement sont les guides touristiques, les routards à court terme et surtout l'internet. Cette étude démontre le mérite d'un concept dy-namique d'une culture qui est activé par des circonstances sociales.

Mots-clés: Routards, touristes à budget limité, culture du tourisme, concepts de culture, ethnographie.

Introduction

To me, Khao San Road has got nothing to do with the real Thailand. It's shops and hotels and restaurants and loads of people calling themselves travelers but being ripped off all the same. But it's got whatever you need and some great food, and it's a good place to meet other travelers. I always hang out in Khao San Road when I'm in Bangkok (Timothy from Germany). The Khao San Road area in Bangkok is probably the epidome of the backpacker ghetto. South East Asia is the most popular region for international backpackers; Bangkok is their main gateway to the region; and when there, most head for the Khao San Road. The development is spectacular: from two guesthouses in the early 80s, there are now several hundred in the area (Cummings and Martin, 2001:231) along with restaurants, travel agents, internet cafes, bookshops, and more. Thus, the Khao San Road area strikingly illustrates the worldwide growth of backpacker tourism during the past two decades.

Even so, few figures document this growth, although it is estimated that backpackers account for 8% of international tourists to Australia (Loker-Murphy and Pearce 1995), for the phenomenon escapes the categories of conventional tourism statistics. Nevertheless, in lieu of quantitative confirmation, various qualitative factors expose its development, including a growing number of backpacker guidebooks, a growing service infrastructure at home and abroad, accessories shops, travel advertising, webpages and, of course, the sheer visibility of backpacker tourism at the popular destinations.

The development is noted in the research literature. In 1972, Cohen depicted the drifters of the 60s who shunned the tourism sector in their quest for immersion in the host societies (1972:175–77). However, as early as 1973, Cohen described the *Vermassung* (growing mass consumption) of drifter-tourism and how it supported the rise of an alternative service infrastructure, a development also observed by Turner and Ash (1975). The institutionalization of backpacker infrastructure, destinations, and routes is further described by Cohen (1982), Pryer (1997) and Riley (1988).

However, the institutionalization has not been accompanied by homogeneity among the users of the backpacker facilities. On the contrary, this mode of tourism seems more composite and multifaceted than ever. Even casual observation at favorite locations such as Khao San Road confirms this. In this small area one can observe the interactions and groupings of disparate characters such as well-educated young Westerners on extended leave from affluent society, high school graduates on gap year travels, Israelis fresh out of military service, university students on holiday or sabbatical leave, young Japanese in rite-ofpassage attire, ordinary holidaymakers, (ex-) volunteers from various organizations, and the like. The heterogeneity is manifest, whether viewed in terms of nationality, age, purpose, motivation, organization of trip, or life cycle standing.

Scholars have commented on aspects of this heterogeneity (Loker-Murphy, 1996; Murphy, 2001; Ross, 1997b; Scheyvens, 2002; Sørensen, 1999), and Uriely, Yonay and Simchai (2002) convincingly question the notion of backpacking as a distinct and homogeneous category. Indeed, the variation and fractionation make it all but impossible to subsume all the above-mentioned individuals and groupings under one

uniform category, for it would be so broad as to be devoid of significance. Nevertheless, if questioned, most of these individuals will generally acknowledge that they are backpackers or (budget) travelers, and even those who do not accept such labels still relate or react to them. The ex- or implicit recognition of the notions carries a significance that reaches beyond an implicit dissociation from a tourist stereotype. For with varying degree and intensity, these individuals connect to a shared frame of reference whether this is a matter of identity, philosophy, sense of belonging, or sentiments of shared values, and their partitioned and fractioned interaction produces meaning, which influences norms, values, conduct, and other elements of the social being.

This complex—the human systems of meaning and difference (Clifford, 1997:3) and the organization of diversity (rather than the replication of uniformity) which produces structures of meaning (Hannerz, 1990: 237)—is at the core of recent advances in the conceptualization of culture. Therefore, it would seem profitable to utilize a concept of culture in the understanding of backpacker tourism, whereby backpacker culture is not only seen as the culture of people categorized as backpackers but is also recognized as essential in the continuous re-creation of the category of the backpacker.

The academic interest in backpacker tourism is growing. An increasing number of publications focuses on the phenomenon (Cohen, 1973; Desforges, 1998; Hutnyk, 1992; Loker-Murphy, 1996; Loker-Murphy and Pearce, 1995; Meijer, 1989; Murphy, 2001; Pryer, 1997; Riley, 1988; Ross, 1993, 1997b; Scheyvens, 2002; Teas, 1988; Uriely, Yonay and Simchai, 2002; Vogt, 1976). Furthermore, several publications, while not fully dedicated to the topic, thoroughly report on its various facets (Cohen, 1982, 1989b; Errington and Gewertz, 1989; Firth and Hing, 1999; Hampton, 1998; Murphy, 1999; Phipps, 1999; Ross, 1997a; Schwartz, 1991; Sørensen, 1999). Moreover, a number of publications more than briefly touch upon backpacker tourism (Bhattacharyya, 1997; Cohen, 1989a; Smith, 1994; Turner and Ash, 1975; Uriely and Reichel, 2000; Wilson, 1997).

The writings cover various matters, such as marketing, accommodation, perception, motivation, guidebooks, terrorism, impact, and development. In varying degrees, the writings touch upon norms, behavior, and interaction among backpackers, thus contributing to a growing understanding of the sociocultural aspects of backpacker tourism on the road. Even so, an assessment of citations in the above publications reveals a high degree of dependence on a few sources on backpackers' social interaction and culture. Cohen (1973), Teas (1988) and Vogt (1976) are often cited. Most frequently cited is Riley (1988), to date the most comprehensive introduction to backpackers whose travel duration exceeds one year. The time factor disqualifies most presentday backpackers, and the ability to represent all backpackers by means of Riley's findings is thus doubtful. Nevertheless, her findings are often cited as if they represent backpackers in general, rather than a hardcore sub-segment.

Since then, little has been published in the way of holistic sociocultural studies of backpackers, despite the massive growth in the intervening years. Scheyvens (2002:150) calls for detailed research on characteristics of contemporary backpackers, and clearly the assessment above identifies a gap in the academic coverage of their social interaction and road culture, both in terms of time since the latest introductory studies and in terms of comprehensive studies of this transnational community.

This paper addresses this gap by means of an ethnographic study of the travel culture of international backpacker tourism. The study presents demographic and social characteristics of those studied. This points to the need to employ a concept of culture in order to further the analysis of the phenomenon. The preconditions for and contours of such a concept are delineated, and on that basis, an ethnographic account of the travel culture of international backpackers is outlined. This perspective furthers the comprehension of both structures and changes in this phenomenon, some of which are briefly touched upon in order to refine the account. They include guidebooks, short-term backpackers, and in particular the Internet.

Among themselves, the preferred term is traveler (Desforges, 1998; Errington and Gewertz, 1989; Riley, 1988) and less frequently backpacker. However, since the former term often is used generically and is fraught with connotations, the latter is used here.

Backpacker Travel Culture

The study is based on ethnographic fieldwork. Since 1990, the author has logged 23 months of participant observation among backpackers. Eight spells of fieldwork, spanning from two to seven months, have covered East Africa, India, the Middle East, North Africa, and South-East Asia, while Europe was included in numerous brief forays into the backpacker scene. This still leaves major regions uncovered, in particular Latin America and Australia. Other studies partly remedy this. Australia is well studied (Firth and Hing, 1999; Loker-Murphy, 1996; Loker-Murphy and Pearce, 1995; Murphy, 1999, 2001; Ross, 1993, 1997a, 1997b), whereas the Americas are almost uncharted. Information on regions not explored by the author has been gleaned from various other sources (guidebooks, backpackers, travel writings, etc.), but the study cannot claim global scope of primary data.

In ethnographic fieldwork, the emphasis is on exploring the nature of social or cultural phenomena, rather than aspiring to test hypotheses about them (Atkinson and Hammersley, 1994:248). The validity of ethnographic fieldwork is founded on the interaction with the subjects studied and the social and cultural insight gained by this approach. Typically, the ethnographic subject is delimited either by location, or by cohesive continuous social interaction within a clearly defined group with a limited changeover of individuals. Backpackers fit neither of the two demarcations. Instead of prolonged social interaction within a stable group, whether mobile or settled, they are characterized by impromptu social interaction within a group of erratic composition with unceasing extensive changeover of individuals. Methodologically, this makes it impossible to adhere to the conventional ethnographic fieldwork framework of prolonged social interaction with and observation of a given set of informants. The un-territorialization of the backpacker community means that, instead of prolonged interaction with the few, fieldwork has had to be structured around impromptu interaction with the many. This made fieldwork more dependent on interviews and other types of intensive information extraction than would the case in a classic ethnographic fieldwork.

So far, fieldwork has resulted in 134 formal, semi-structured interviews, lasting from 45 minutes to three hours, and 22 semi-formal discussion sessions with between one and seven backpackers, lasting from one to two-and-a-half hours. To these must be added hundreds of semiformal and informal interviews in the shape of extended conversations. Interviews were secured at accommodation facilities, restaurants, bars, and the like at both the popular and the more peripheral destinations, during transport, or while on excursions (safaris, trekking, etc.). In most cases, potential informants' affiliation to the backpacker community was immediately discernible, either by appearance, behavior, or associates. In a few cases, initial questioning was necessary to verify a person as a potential informant.

In all cases of formal interviews and in almost all cases of extended conversations, the author was deliberately forthright about the ongoing research and about his double role as both backpacker and researcher. While initially this stance was a matter of research ethics, it also produced research benefits, since the realization that they were being studied often triggered interesting reflections and deliberations from the informants. Many expressed interest in the research and during or after the interview, asked about the results so far. On such occasions, some preliminary findings or interpretations were shared with them. This in turn would cause comments from the informant, some leading to lively debates. In many cases, the most interesting data came to light after the interview officially had ended.

The interviews and extended conversations constitute the tangible substance of the fieldwork material. However, equally important for the comprehension of backpacker tourism culture are the countless observations and interactions while traveling among backpackers and participating in their road culture.

Identifying Backpackers

Both popularly and in the research literature, backpackers are most often characterized as self-organized pleasure tourists on a prolonged multiple-destination journey with a flexible itinerary, extended beyond that which it is usually possible to fit into a cyclical holiday pattern. However, this description serves as a guideline only and cannot be used to objectively distinguish backpackers from other tourists, for only few match all the parameters throughout the trip.

For one thing, some now set out with a *starter kit*, for instance consisting of airtickets, airport pick-up, transfer, and initial accommodation in a gateway city. Combined with the fact that most backpackers purchase organized excursions, safaris, treks, and the like during the journey, this leaves the self-organization somewhat debatable. Some trips include working spells (Riley, 1988; Uriely and Reichel, 2000), which make the pleasure parameter equably debatable. The time parameter is also open to interpretation, since the idea of a prolonged journey is highly individual. The only shared feature is that of *traveling*, the flexible multiple-destination itinerary. Even this is continuously discussed among backpackers.

Thus, backpackers cannot be defined by means of unambiguous criteria. Pearce argues that they are best defined in social rather than economic or demographic terms, and points to criteria such as a preference for budget accommodation, an emphasis on meeting other backpackers, and independent flexible travel plans (cited in Ross, 1997a). If viewed as a *social category*, the term backpacker offers analytical qualities to supplement the predominantly descriptive use of the term in the literature. For although many do not meet the descriptive characteristics, these nevertheless describe how backpackers tend to view themselves: they form the outline of a travel ideology. The category makes sense from the insider's point of view. Being both an individual perception and a socially constructed identity, *backpacker* is more a social construct than a definition. As such, it is an obvious object for ethnographic inquiry.

Demographic and Social Basics

Although more and more nationalities are represented, backpackers are still predominantly of Western origin. The vast majority come from North America, Australia, New Zealand, and Western Europe. Most Europeans are from Northern Europe, while Mediterranean Europe is underrepresented, as is the United States when taking the population size into account. Israeli backpackers can also be found in large numbers. Additionally, the number of Japanese backpackers seems to be growing.

Several studies report on gender distribution (Loker-Murphy, 1996; Loker-Murphy and Pearce, 1995; Murphy, 2001; Riley, 1988; Ross, 1997a), but results vary. Australian data suggest an even male/female split, while the author's data from the developing world suggest a 60/40 male preponderance ratio, perhaps slightly higher in certain regions.

The vast majority of the backpackers are 18–33 years of age. The impression is that most belong to a 22–27 age group, with more in the above-27 than in the below-22 group. This fits nicely with the parallel impression that many, if not most, have completed an education and worked a couple of years before embarking on their first

backpacker trip. However, this picture might be changing. Field observations over a decade indicate that it is becoming more widespread to go to distant regions at an earlier age. Nonetheless, backpackers display an educational level equal to or above the general level in their country of origin. A large share holds academic degrees. Additionally, in the case of younger ones with no education, it is often a matter of not yet; most intend to commence or complete studies after traveling.

Contemporary backpackers do not fit the description of drifters, deviants and escapees depicted in a few publications from the 70s (Cohen, 1972, 1973; ten Have, 1974). In general, they are (future) pillars of society, on temporary leave from affluence, but with clear and unwavering intentions to return to *normal* life. The steadfastness is evident in terms of intended traveling time: almost all have a fixed return date, typically defined by their flight ticket. Even those who declare themselves unrestrained will, if prodded sufficiently, almost invariably display a fixed latest return date. Usual length of journey is between two-and-a-half and 18 months; very few journeys last longer. In fact, not many exceed 12 months, and an interval of four to eight months accounts for most journeys. The lower limit of two-and-a-half months also marks a socially defined boundary between *true* backpackers and those who travel like them but are able to fit it into a work/holiday pattern.

Temporarily, however, normal life is suspended. Many backpackers are at a crossroads in life: recently graduated, married or divorced, between jobs; such explanations are frequent when they are asked why they travel (Riley, 1988). Hence, much backpacker tourism belongs to transitional periods of a lifecycle. However, whereas this can lead to the conclusion that the transitional situation has caused the travel (Graburn, 1989; Riley, 1988), this author finds that the reverse causality applies. In-depth interviews revealed that, while the transitional situation was true, it was usually the other way around: travel wishes had made the person quit the job, caused the breakup, or the like. Mark from Britain explained it this way:

It's a question of now or never. Since graduating from University a couple of years ago I've made good money, so I can afford to travel. I thought that if ever then now, because ten years from now I may be tied up with wife, kids, mortgage and all the rest of it. And who knows if there will be anything special to see ten years from now. The differences between places or cultures disappear rapidly, they all become more or less like us. If you want to see anything different from our Western countries you have to do it quickly before it all vanishes.

The *Vanishing Worlds* in Mark's statement reverberate with the impressions of urgency found in much tourism advertising. However, this pull factor is matched by the push factor of urgency to go beyond normality before it is too late. Mark is illustrative of the fact that usually the transitional period is self-inflicted, brought about by the desire to travel. In fact, this is more logical, since traveling usually is a planned venture. Few have the necessary economic means to allow them to rapidly realize decisions of prolonged trips.

Thus, many backpacker journeys can be described as self-imposed transitional periods, and for many, self-imposed rites of passage. Such an understanding of backpacker tourism is well in line with contemporary scholarly views on rituals and rites of passage in modern societies (Hughes-Freeland and Crain, 1998; Rosaldo, Lavie and Narayan, 1993; Turner, 1982, 1992). However, it would be erroneous to suggest that self-imposed rites of passage are the only explanation. It is beyond the scope of this paper to pursue a thorough contemplation of the rite of passage facet of backpacker tourism. Nevertheless, it is important to emphasize that, although the notion of self-imposed rites of passage is illuminating as regards backpackers, many are not covered by such a description. Besides, even for those who are covered, the question remains why they chose to let the rite of passage take the shape of a backpacker journey instead of something else.

While on the go, backpackers engage in a variety of social and recreational activities. The diversity in preferences supports Loker-Murphy's (1996) observation that they are not homogeneous in terms of tourism motivation. The prevalence of some activities reflects the dominance of youthful age groups, but the activities are not much different from what can be found within other tourist segments.

If asked about companions, the great majority of backpackers will answer that they travel alone or with one person (spouse, friend). In the strict sense of companion throughout the trip, it is correct that most backpackers travel alone or together with one person. However, this apparently simple truth hides the fact that, in reality, a majority of them spend most of their time in the company of other backpackers, at favored places, and in impromptu groups formed along the road (Loker-Murphy, 1996; Murphy, 2001; Riley, 1988). It is quite common to strike up a friendship with backpackers encountered on the road, travel together for a few days or weeks, split, and team up with others again. Friendships are created rapidly and travel groups are formed and dissolved almost instantly. However, the behavior connected to this social interaction is not unregulated. It is circumscribed by the norms and values of the backpacker travel culture.

Conceptions of Culture and Ephemeral Backpackers

While the term culture is commonly used in tourism research, it is interesting to note how rarely such a concept is employed in the study of tourists and their behavior. Concepts of tourist culture are seldom found in the research literature, and when used at all (Adler, 1985; Foster, 1986; Nash, 1979), the term most often appears descriptively. Hardly ever is it employed to analyze, explain, or interpret aspects of touristic behavior.

It seems reasonable to suggest that not all such behaviors can be explained by norms and values brought along from home, or by the liminal dimension of tourism (Lett, 1983; Wagner, 1977). In some cases, it is possible to identify social structures, norms, and values which are founded in the interactions among tourists. In such cases, a concept of culture may be applicable, provided that the social interaction among the tourists produces *meaning*, which in turn again affects norms, values, conduct, and social behavior.

As regards backpackers, such a concept of tourist culture provides a relevant framework, not least given the fact that many spend most of their time together with fellow backpackers. These are continuously replaced throughout the journey, yet the replacements share the same touristic characteristics: an emphasis on selforganization and nomadism, and plans flexible and subject to rapid change.

There is a double bind in this. On the one hand, the one thing that backpackers have in common is their travel mode, and being strangers in unfamiliar places, fellow backpackers are the most familiar strangers. On the other hand, the travel mode is also the *only* thing that they share with certainty. Hence, conversations are much centered on travel. Murphy finds that travel matters are the most important topic among backpackers in Australia (2001:55–57), and this author believes it to be the case whenever backpackers congregate. Travel matters are socially and practically important since they constitute the only certain shared subject for conversation.

The fact that backpackers interact so much and maintain a conversational focus on the subject of travel matters means that norms, conduct, hierarchies, and other aspects which are often analyzed by means of a concept of culture, may emerge, take root, and be transmitted from experienced backpackers to newcomers, even without fixed and permanent societal institutions to facilitate the intergenerational transmission. To view backpackers' social relations in this way is covered by earlier concepts of culture, where it is perceived as social structures of unification and subsumption, and where the individual human is viewed as a representative of and bearer of a certain culture.

However, norms, conduct, values, etc. among backpackers are continuously negotiated, challenged, manipulated, and upheld or changed through social interaction. The opportunity for this is enhanced by the combination of, on the one hand, the continuous replacement of backpackers within the community, and on the other, a near absence of institutions that can hold and transfer meaning over time. Whereas earlier concepts of culture fail to comprehend such aspects, they are embraced by recent theoretical advances (Appadurai, 1996; Clifford, 1997; Fox, 1991; Hannerz, 1996; Olwig and Hastrup, 1997), in which culture, rather than fixed structures of unification and subsumption, is conceived of as negotiable, manipulable, and changeable systems. Consequently, the individual is ascribed an active role, as someone who *produces culture* rather than just representing it. A concept of culture may improve the insight in settings where intratourist social interaction is a marked characteristic. Such tourist cultures can often be located in and delimited by means of the geographical scene for the interaction (for example, in a secluded resort). However, they need not be delimited by location: the enforced social interaction within fixed groups on cruises or on organized tours provides mobile settings for tourist cultures to unfold. The two examples parallel common anthropological conceptions of culture where it is either *located* (the village, the territory) or *bounded* (a non-settled group, such as nomads). In both cases the culture is *placed*, by means of location or group.

A backpacker culture, however, falls outside these two. Neither a fixed place nor fixed group delimits it: this culture is neither located nor bounded. Hence, in order to comprehend backpackers by means of a concept of culture, it is necessary to move beyond the *placing of cultures*, and instead let the conception allow culture to *take place* wherever that place is physically localized. In other words, culture must be allowed to *travel* (Clifford 1997). Customarily, the concept of road culture is empirically founded and descriptively used, namely to describe the culture of individuals belonging to a certain category (Adler, 1985; Mukerji, 1978; Riley, 1988). In comparison, the concept of backpacker travel culture employed in this study allows for the culture continuously to create and re-create the backpacker as category.

Road Status

The importance of road status among backpackers is highlighted in several studies (Errington and Gewertz, 1989; Pryer, 1997; Riley, 1988; Teas, 1988), and a concept of travel culture furthers the understanding of the phenomenon and its significance. Road status is obtained in many ways: paying *local prices*, getting the best deal, traveling off the beaten track, long-term travel, diseases, dangerous experiences, and more. In total, it comprises hardship, experience, competence, cheap travel, along with the ability to communicate it properly.

An example of how road status is communicated is the worn equipment and clothes that many backpackers display. This makes them appear somewhat shabby to the outsider, while among themselves the worn look asserts experience and endurance, since presumably it is caused by travel wear. Therefore, clothes and equipment, which back home would have been discarded, are often mended and used. The reflections of Jane from Australia typify the ambivalence of simultaneous acceptance and critique of this status parameter:

There is a funny contrast between travelers' shabby clothes and their perpetual use of showers. I was sitting in the backyard of a lodge chatting to a Kiwi [New Zealand] girl when an American guy came out of the shower wearing the most ragged T-shirt I've ever seen. I said to the Kiwi girl: "Why doesn't he throw that rag away, it's not worth washing one more time. But she said "Oh no, he's very proud of that shirt. They've been through a lot together!" And then we couldn't help giggling, because in a way it is so ridiculous. But here I am, trying to repair one of my own T-shirts and if it were back home I'd throw it away immediately. I guess the [proverb] "fine feathers make fine birds" applies to travelers as well although it's upside down.

The worn look may even be artificially created. Backpackers have confided to the author how they intentionally smeared their backpack, roughened their shoes and scuffed their other equipment shortly after commencing traveling, so as not to appear to be untraveled.

The worn equipment also signals frugality, and thus ties in with the most important road status factor; that of the ability to travel inexpensively. This factor explains why backpackers are preoccupied with budgeting, often excessively so, and certainly to a degree that goes beyond the need to budget when traveling long-term. Most possess credit cards and are better off money-wise than their appearance implies. However, the ability to travel inexpensively signals road competence; it signals that one knows the way around and knows how to acquire things and services at non-inflated prices. Thus, to ask: *how much did you pay*, which in many Western settings is considered rude, is perfectly legitimate among backpackers, for the exchange of information about prices is not only a practical matter, it is also an exchange of road status.

While the intention is often explained as a matter of not paying more than *locals*, what really matters is not to pay more than other backpackers (Riley, 1988). The following brief conversation between the author and two new arrivals at a popular hotel illustrates the point:

Informant: Excuse me, can you tell us how much you pay here? Author: I pay 200 baht for a single, including breakfast. How much do you pay? Informant: We pay 250 for a double, also with breakfast, so I guess it's okay. We arrived yesterday, and I just want to make sure we don't pay too much.

The above was the first contact between the author and the backpacker couple, yet the *how much did you pay* question opened the social interaction.

A peculiar consequence of this one-upmanship is that it is common to lie about prices (Teas, 1988). Almost all backpackers questioned about this admitted to understating prices paid when passing on information. Not only is this behavior expected, it is even accepted—within limits. The limit to how much manipulation of prices is accepted, before it impinges upon road status, is when the information is so implausible that other backpackers feel compelled openly to question the narrator's veracity. When this happens, the playful social setting of status exchange collapses. Manipulations must be handled dexterously, and since this dexterity signifies the socially accomplished backpacker, it is in itself a status factor.

The deliberate scuffing of equipment and the understating of prices are examples of how the one-upmanship of status exchange is influenced by manipulating information. Similar manipulation can be found regarding all aspects of road status: a bout of diarrhea is upgraded to dysentery, the strenuousness of a bus journey is exaggerated, black market exchange rates are inflated, and the peripherality of a place is embroidered on. Likewise, status exchange can be manipulated by shifting to another set of status parameters (for example, from money to health) where one might have a better chance of obtaining peer recognition. Status parameters may even be challenged, for instance by questioning whether spending a whole day bargaining for the sake of two dollars really is worth the effort. Such a challenge is often accompanied by attempts to refine the parameters in question, or to introduce new ones.

Not all backpackers are equally preoccupied by road status. Typically, it is particularly important for those on their first trip, whereas repeaters exhibit a more relaxed attitude. Moreover, road status must be communicated deftly, since a too overt preoccupation with the subject is improper. Furthermore, it is not a stable affair. Not only is it very volatile, but it also has to be continuously reestablished through conversation and status exchange, since no fixed mechanism can convey the individual's road status and no continuous social relations can confirm and transmit previous ascertainments of it. It has to be communicated in every social encounter with a hitherto unknown backpacker. It is precisely because of this that road status is important. This continuous exchange is the key method by means of which the numerous brief encounters with other backpackers are systematized and embedded with meaning.

Therefore, road status is not permanent. It must be communicated continuously, both in terms of asserting it, and in terms of defending the validity of its parameters. The effect is that, even though status exchange produces instant hierarchies, this must be described as *hierarchization* as process rather than hierarchy as structure. Not only are the hierarchies extremely volatile and transient, changing with subject and exchange partners; in a way, it is also hierarchies without anyone *on the bottom rung*. For although status exchange is a challenge, simultaneously it also confirms a shared identity, *us backpackers*, distinct from both *locals* and *tourists*. Therefore, road status also serves as social glue, in that the status exchange serves as a mutual recognition of someone with worthy norms and values. The hierarchization process produces shared cultural identity.

Trails of Travel Culture

When questioned, most backpackers readily accept that travelling contains elements of tourism, or is a mode of tourism. These findings are contrary to Riley's, who found that all long-term travelers emphatically rejected the tourist label (1988:322). The differences may be explained by the fact that her informants had traveled for more than a year. Another explanation can be found in the growth and institutionalization of backpacker tourism since Riley's study in the mid 80s. It has become increasingly

difficult to sustain the image that travelling and tourism are separate and different undertakings.

However, a closer look reveals that the differences between Riley's and the author's findings may be a matter of degree. For, while acknowledging a tourism dimension in their travel, most backpackers nevertheless maintain a distinction between travelers and tourists. They often position themselves as representatives of a better mode of tourism, thereby sustaining a distinction between a backpacker *us* and a tourist *other*. Backpackers typically argue that they arrange things themselves, whereas tourists are led or herded, and that, unlike the tourist, they are able to get off the beaten track, find the unspoilt places, and get a down-to-earth feel for the area (Desforges 1998).

In this way, this culture reinforces the importance that backpackers place on nomadism, self-organization, and self-reliance. Therefore, it is hardly suprising that not all travel methods convey equal status and that overland trips convey more status than flying. The popular overland routes connect the favored destinations to form the main trails, and many backpackers spend most of their time along these trails. Here, hotels, restaurants, and other services are found. The popularity of the main trails is reinforced by recommendations in the guidebooks, which almost every backpacker carries. Additionally, *the grapevine* (Murphy, 2001), the exchange of information and tales among backpackers, which in itself reconstitutes their social construction as identity, reinforces the popularity of certain routes.

Yet many backpackers spend some time off the main trails. This pattern is culturally reinforced, since travel off the typical routes, experience of hardships, and perhaps discovering new places can be converted into road status by sharing the information with others back at the main trails. The discovery of new places means that the trails are not static. Others may decide to use the information and if enough come along, lodgings and restaurants catering for the backpacker purse may open, a service infrastructure comes into being, and a new trail is established. Most often this does not happen, but on the other hand it is usually this way that new backpacker trails and destinations come into being. Obviously, changes of trails are also influenced by other factors: political changes, civil unrest, terrorism, or wars may close them or deter their use; conversely, restoration of peace, infrastructure improvement, or policy changes may (re)open backpacker trails.

However, the areas visited off the main trails need not be without tourism development. In fact, and despite an ideology of *getting beyond tourism*, average backpackers are more likely to reject than select areas which are uncharted in their terms. Most who travel off the main trails do not head for the totally unknown but stay within or near the locations described in their guidebooks. The author has frequently heard backpackers argue, when discussing plans, that *We can't go there, it's not in the book*.

Alternative Guidebooks

You know, Richard, one of these days I'm going to find one of those Lonely Planet writers and I'm going to ask him, what's so fucking lonely about the Khao San Road (Garland, 1997:194)?

The alternative guidebooks serve an important function in the backpacker culture, as the only fixed structure with the ability to hold and transfer information and culture from one cohort to the next. Previously, users of such guidebooks were almost exclusively backpackers but, in recent years, the range of users and titles has expanded massively. However, many of these publications still exude a distinction similar to the one that backpackers display towards the tourist. It does not take much textual analysis to realize that the alternative books thereby guide and support backpackers' perception of identity, by more or less subtly confirming a distinction between them and the *ordinary* tourist.

The growth of backpacker tourism and the alternative guidebook publishing success share a common history. The importance of the latter for the growth of the former can hardly be exaggerated. The emergence of alternative guidebooks helped open wider horizons, in particular for backpacker tourism in developing countries, and for the many who, without a guidebook, might not have taken the leap into the developing world.

Of the alternative guidebooks, those from Lonely Planet arguably are the most used, probably have the widest geographical coverage, and undoubtedly are the most criticized. However, the critique is not so much caused by the actual publications and their content as by the symbolic position that these guidebooks occupy in popular debate. Because of its global coverage and popularity, Lonely Planet symbolizes a certain style of guidebooks and users. In the Western tourism debate, in which an alleged self-righteousness of backpackers has been the target of much critique and derision (Scheyvens, 2002), Lonely Planet has come to symbolize the backpackers, their activities, norms, and values.

Whether or not the critique is justifiable, the influence of Lonely Planet is incontestably important. Nevertheless, even in certain circles among backpackers, guidebooks are much scorned and seen as a symbol of the lesser traveler, as is vividly described in the novel *The Beach* (Garland, 1997). Tellingly, the above quote is from a chapter titled *Bible bashing*. Moreover, while most backpackers use a guidebook, many also participate in varying degrees of bible bashing, ranging from pointing out flaws and faults, to claiming non-user status. Ironically, bible bashing thereby enters the sphere of road status and becomes yet another parameter in the exchange of road status, as well as a revealing cultural self-critique.

The Internet

The Internet has had a notable impact upon backpacker tourism. On the world-wideweb, information and opinion about tickets, routes, destinations, and more is available on numerous home pages, as are views on this type of tourism and its consequences. The impact of pretravel internet use upon actual backpacker tourism may be modest, but on the road it is profound.

Internet cafes abound at backpacker destinations and the importance of this aviailability is evident in the latest guidebook editions, where internet access and prices are treated evermore thoroughly. Backpackers use the Internet for tourism information and for news sites from back home. Additionally, some use it to check bank accounts, file tax returns, and similar practical matters. But above all, backpackers use it for email communication.

Most backpackers use a free email address and check for messages daily whenever possible. Email has replaced letters and surpassed the telephone as the means of contact with friends and relatives back home. In 2000, post office staff at a popular backpacker destination informed the author that, since 1997, *poste restante* mail had all but disappeared.

The Internet also facilitates communication between backpackers. Email addresses are frequently exchanged with other backpackers encountered on the road. Some of the addresses may never be activated, but others are, and communications are continued while traveling. In some cases, itineraries are adjusted to allow meeting again. Communication is also continued between pre-arranged travel partners who plan to meet at a later date. In both cases, the coming of the Internet has caused a near-revolution of scheduling flexibility. Previously, meetings with other persons were either coincidental, as when encountering other backpackers again along the same route, or planned in advance, as when joining someone at a prearranged time and place. Compared to this, the Internet enables a running contact, which enables continuous adjustment of itineraries. This includes more flexible options for travel partners to temporarily separate and later reunite.

Many backpackers manage fluid social networks via the Internet, consisting of people at home, traveling friends from back home, backpackers encountered on the road, and the occasional *local* friends. New email addresses are registered; some are activated and maintained in use, others wither away. While evidence is scant, it would seem that many ex-backpackers maintain this virtual travel network for some time after end of trip, albeit slowly fading. In this way, the Internet, while not necessarily eliminating ex-backpackers' problems with readjustment to normal life back home (Riley, 1988:325), nevertheless has reframed the conditions for readjustment, by changing the distinction between home and away. One can maintain part of one's backpacker identity, even when not traveling, by communicating with those still on the road or recently returned home. The impact of the Internet reaches beyond practical matters in other ways. The technical changes have affected the way in which the whole backpacker experience is framed by the communication with *back home*. The ceremony-like steps that backpackers previously had to perform to obtain the desired communication via traditional techniques (for example, visiting a post office box to collect *poste restante* mail and send letters), in themselves confirmed the limited access to such communication, thereby confirming a distinction between *here* and *back home*, and underlining the liminal *out of time and place* (Turner, 1970, 1982; Wagner, 1977) character of the backpacker experience.

In comparison, the recurrent communication with the home environment that the Internet enables confirms the connection, rather than the distinction, between *here* and *back home*, between the present backpacker situation and the non-backpacking normality. In this way, the impact of the Internet may reach far beyond technical matters of communication. It is likely to impact on conceptions of distance, and to impart a change in the comprehension and framing of the type of liminoid experience which backpacker tourism typifies.

Short-term Backpackers

A final example of change, in which practical, institutional, and cultural aspects of backpacker tourism interact, is short-term backpackers. These are individuals who travel backpacker-like, but within the time limits of cyclical holiday patterns. They behave as ordinary backpackers: they interact socially with other backpackers, stay at the same places and travel along the same trails, even though they naturally cover less ground during a trip.

Short-term backpackers are not a new phenomenon. However, recent fieldwork data and information from specialized travel agents indicate a strong growth of this segment, possibly stronger than that of backpacker tourism in general. This may partly be explained by declining prices on long-haul air tickets. Obviously, this is important for the growth of backpacker tourism in general, but it is particularly important in the case of short-termers. Since a return ticket takes up a larger share of the total cost of the trip for them, reduced prices on air travel result in greater reduction of their per day cost of trip.

Yet fieldwork data indicate that other factors need to be considered when investigating the growth of short-term backpacker tourism. In particular, it is noteworthy that many have previous experience. They know how the system works, and are able to switch rapidly into backpacker mode. Moreover, many explained to the author that they deliberately sought this mode, partly thanks to the social interaction among backpackers, partly thanks to a perceived higher degree of independence and flexibility, which previous backpacker experience had taught them to value highly. The short-termers subgroup indicates a growth potential of backpacker tourism; it also acts as a reminder of how the backpacker experience may influence the individual's future patterns of tourism demand and consumption. Therefore, it is reasonable to suggest that a spin-off of the growth of backpacker tourism in recent years may be the creation of a similarly large growth potential for short-term backpacker tourism in the coming years.

Conclusion

If I had to define my belief in travel it's that if you've been some place and stayed in the local Hilton, you've probably not been there (sorry Conrad). Tourists stay in Hiltons, travelers don't. [They] want to see the country at ground level, to breathe it, experience it—live it. This usually requires two things the tourist can't provide more time and less money (Wheeler et al, 1992:35).

This paper has presented an ethnographic outline of the travel culture of international backpackers tourism. It has been argued that the analytical use of a concept of culture advances comprehension of the backpacker phenomenon. Such a concept furthers the understanding of a phenomenon that, on the one hand, is so vast and diverse as to be beyond subsumption under a distinct description, yet, on the other hand, does display widespread affinities, behavioral similarities, social interaction that produces systems of meaning, and a connection to a fluid shared frame of reference.

This approach extricates the analysis from some of the problems that a strict definition of backpackers would involve. If they were to be identified by means of a rigid definition, it would either eliminate many individuals who view themselves as such, or necessitate a definition so far-reaching as to be devoid of explanatory prowess. Instead of defining them by means of fixed criteria, the cultural angle enables the backpacker to be viewed as a socially construed category, involving both selfperception and peer recognition. The main dimension of peer recognition is the social interaction with other backpackers, through which the backpacker identity is concomitantly formed.

Road status was identified as a key phenomenon for the comprehension of backpacker tourism culture, and although more complex than striving to live up to the ideology, the culture nevertheless is beholden to values as represented in the quote above. Taken from an older edition of a backpacker icon, the Lonely Planet *South East Asia on a Shoestring*, the excerpt presents an accentuated and condensed example of backpacker travel ideology.

At the same time, the fact that it is necessary to turn to a decadeold edition also signifies the ongoing changes in backpacker tourism. The un-territorialized *us travelers* community, which Wheeler et al implicitly addressed, does not exist anymore (if it ever did). While maintaining values of distinction that supported a sense of com-

munity, the guidebooks have simultaneously facilitated the rapid expansion of the market, and this growth has made the backpacker environment too large to be sensed as a unified community. This is certainly the case at popular locations, where the environment is so large as to necessitate individual partitioning, whereas social interaction is more forthcoming and less discriminating in less popular locations with less choice of interaction partners.

As a more modern change, lately the Internet and email have allowed the individual backpacker to invoke a personal virtual community to supplement face-to-face interactions. This enables a more selective choice of partners, which again facilitates partitioning. With the Internet, new dimensions have become part of the evolution of backpacker tourism; this has not halted its institutionalization, nor has it necessarily been accelerated. Rather, the Internet has changed the direction of the institutionalization. Whereas this process commonly is taken to imply standardization, uniformity, inflexibility, and predictability, the Internet has by contrast occasioned an institutionalization that includes increased scheduling and planning flexibility as well as communication ease. Yet institutionalization it is, since the Internet has eased the access to and consumption of backpacker tourism, and since the medium in itself rapidly has established an institutional presence among backpackers.

Beyond this, the Internet also demonstrates the changeability of backpacker travel culture, and concurrently shows that, while the technological development has progressed with breakneck speed, the sociocultural effects are to be viewed in terms of evolution rather than revolution. Participant observation over a dozen years confirms that, despite its development, the backpacker culture is still recognizable, with or without the Internet. However, this paper has only briefly touched upon this medium and its impact. Further research on backpackers-online is definitely needed, both regarding use patterns, online culture, and the impact of online communities on backpacker consumption patterns.

Given the heterogeneity of backpackers, further research is also needed on more specific subsegments. While many can be easily delineated, this paper has touched upon the short-term backpackers. This subsegment is particularly interesting since it exemplifies the continued growth and institutionalization of backpacker tourism, while simultaneously embodying the de-differentiation between backpacker practices and associated modes of tourism. The short-term backpackers and their interaction with other backpackers demonstrate the elasticity, capaciousness, and adaptability of the phenomenon, yet at the same time also demonstrate the need for a concept of culture in order to fathom the simultaneous elasticity and constraint in the social construction of the backpacker. More generally, the study of backpackers demonstrates the merit of a dynamic concept of culture whereby the individual both represents and produces a culture, and where it does not necessarily need to be placed by linking it to a location or fixed group but primarily can be viewed as *taking place* whenever activated by social circumstances.

However, despite these useful refinements, it must be recognized that the concept of culture, being both vague and fuzzy, is an innately flawed construction. Clifford voiced the problem when stating that *Culture is a deeply compromized idea I cannot yet do without* (1988:10). In recent years Clifford and others have contributed to the revitalization of the concept of culture by insisting on a de-territorialization of its propensities, thereby allowing culture(s) to travel. Yet it is interesting to note that, despite the cognation between travel and tourism, the revitalization of the concept of culture has not been much inspired by insights from the tourism study. Allusions and anecdotal exposés apart, the revitalization has largely ignored this domain, and the theoretical and conceptual advances have not been challenged and tested by means of the tourism phenomenon.

Therefore, the future involvement of tourism research in the overall development of the concept of tourism culture will prove valuable for social science in general, and for the tourism research domain in particular. Perhaps more than any other within social science, this domain is confronted with the necessity to comprehend matters of placelessness, ephemeral presence, spatial movement and the like. Further conceptual development is thus essential for an improved understanding of matters to do with tourism as culture, culture in tourism, culture of backpackers, and of course, tourism cultures.

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2.5 Telematics - Opportunity or Threat for Peripheral Areas?

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Abstract

This article highlights some of the possibilities and constraints for utilising telematics in peripheral areas. Telematics is, semantically and technologically, an amalgamation of *tele*communications and infor*matics*. A theoretical basis for understanding regional and technological development is established. Theories that consider technology (including telematics) as primarily socially determined constructions, which are developed, diffused and renewed through interactions between actors, for example users and producers, are emphasised. Examples are given of the use and potential consequences for localisation of businesses within three very different *industries*: telework (production and delivery of services by means of telematics), tourism (especially hotels), and manufacturing industries. Telematics reduces the importance of geographical distance but does not eliminate the need for face-to-face-contact. Therefore, telematics does not remove the distance barriers for peripheral areas and may result in decentralisation as well as centralisation. While it is up to telecompanies and political actors in the regions to provide the basic prerequisites for businesses' exploitation of telematics, it is up to firms to meet the challenge of turning what might seem to be a threat but which - adapted to the firms' local conditions and networks - could be a prosperous opportunity.

Introduction

Development of the electronic information and communications technologies - also known as telematics - has great societal consequences. Telematics can potentially reengineer the internal processes of enterprises in practically every industry, and

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thus make these processes more efficient and effective. As to external relations of firms, i.e. their access to markets, knowledge, services and suppliers, telematics can diminish the disadvantages of peripherally. On the other hand, telematics may encourage centralisation of a number of economic activities, especially the high skills, high education, and development oriented types of jobs. This has, for example, taken place within the finance sector. Telematics has also dramatically changed the conditions of development for enterprises and regions. The question is, which opportunities, threats and barriers for the development of *peripheral areas* can generally be attached to the development and application of telematics.

In this article, peripheral areas are defined as those located at relatively great distance from big cities and with relatively low population density. Economic, social, cultural, or other qualitative dimensions of the concept of periphery are not emphasised here.

In the first section of the article a theoretical foundation for the understanding of regional and technological development, that attaches significant importance to local and regional structures, processes, and actors for regional as well as technological development processes, is presented. This departs from traditional neoclassical theories of regional economics as well as from deterministic conceptions of technological development as a linear, *rational* process.

Next, some specific examples are cited of opportunities, threats, and barriers which application of telematics implies for peripheral areas. The examples are from three widely selected fields, namely telework², tourism and manufacturing industries. The consequences of telematics for peripheral (remote) areas especially have to do with improved accessibility and communication facilities, while the possibilities for change of processes internally in the firms must be assumed to be largely the same irrespective of location. Therefore, here the focus is on the possible implications of telematics for localisation patterns of firms and their external relations.

Finally, based on the review of theories and the specific examples, factors are identified that seem to determine whether telematics has positive or negative consequences for peripheral areas and the implications of this for regional business policy.

Theories of regional and technological development

In the last couple of decades especially two opposing but interlinked trends seem to have affected the development conditions of firms and regions. On one hand com-

² Tetlework is not an industry as traditionally defined, but a common designation of some of the new work forms and products, which cross-cuts traditional industry definitions. Telework is here broadly defined as work which is carried out using an electronic medium and where the product is delivered to the customer in digital form, either via the telecommunications net or on diskette (cf. Storgaard et al, 1995 and 1996).

petitive market conditions have been globalised, and on the other hand the significance of regional structures and processes for economic activity has increased. Intensified international competition between firms has led to increased specialisation and division of work, which means that in order to keep up their competitive position firms put still greater and more specialised demands on the area in which they are located, for instance concerning labour markets, services, suppliers and infrastructures.

Empirical studies indicate that increasing specialisation is not only manifested between *firms*, in the form of stretched product specialisation and outsourcing of an increasing number of functions, but to some extent also between *regions*, in the form of a more specialised spatial distribution of industrial activities and formation of regional clusters (Malmberg and Maskell, 1996). Such regional clusters of firms, embedded in and preserved by regional competences, learning processes, service industries, suppliers, public institutions etc., have for example been described by the concept *Industrial Districts* (Pyke and Sengerberger, 1992).

At the same time the accelerated speed at which new products, technologies and materials are developed, and the general increase in the knowledge content of products and production processes, have enlarged the importance of access to new information and knowledge and of connections to those innovative milieus, which generate this knowledge.

The research, technology and development (RTD) policies of most industrialised countries since World War Two have focused on the formal research system (universities, research institutions, the research departments of large firms, military labs etc.) as the main environment creating new knowledge and technologies. With a simple linear model of innovation (see figure 1) as theoretical basis, financial support have predominantly been directed to *Big Science* projects and lab-based research, assuming a more or less direct link between lab research expenditures and the effect for growth and competitiveness (Freeman, 1995).

Figure 1: Traditional, linear model of technological development

Basic research \rightarrow Full scale development in labs \rightarrow Diffusion and application

In recent years it is increasingly perceived, that this model does not satisfactorily describe the way technological development and renewal actually occurs and is organised in society and in firms. The main reasons for this are twofold:

First, it seems clear that important impulses to the technology development and growth of firms is created through those - socially structured - network and learning processes in which firms participate and upon which they have built their specific

production. Firm's interaction with customers (users), suppliers, consultants etc. is an important factor in the development of new knowledge and technologies. The socalled *Social Construction of Technology* theory (cf. for example Bijker, Hughes and Pinch, 1987) has contributed significantly to an understanding of the fact, that technologies are not solely developed by engineers through targeted and strictly scientific experiments in isolated labs, but rather through socially constructed interactions between numerous actors, e.g. firms, customers, citizens, organisations, politicians etc.

Acknowledgement of this has led to reformulations of some RTD policies away from the linear innovation model. For example, the telematics programmes ACTS and Telematics Applications under the 4th frame programme for research 1994-1998 of the European Union (The European Commission, 1994), stresses the importance of network relations and of developing technologies in interaction with users.

Second, the poor performance of the linear model in explaining development and diffusion of new technologies is due to its lack of comprehension of the organisational, institutional, and social frames attached to the application of a given technology. The model does not comprehend the complex processes of change - both internally in the firms and in their environment - involved in technological development and renewal. Work processes and routines must be reorganised, new needs for qualifications, services and consulting arise, new supplier relations must be developed etc. The diffusion of technologies is not *only* determined by their technical and economic rationale in relation to a given function but certainly also by the extent to which they socially, cultural and institutionally fit into firms and society.

In a regional context this systemic aspect of technological development means, that firm's possibilities of achieving economic benefits of a given technological development does not only depend on the characteristics of their production processes and their internal resources and capabilities to optimise and renew these by means of technology. Crucial factors are the qualities of firms external networks and institutional framework for innovation and development - the socio-economic milieu, in which the firms take part.

The social and cultural conditions is especially relevant to implicate when it comes to radically new technologies like telematics. The action plan from the Danish Ministry of Research, *The Information Society year 2000*, 1996, is an example of a political initiative attempting to accelerate the adoption of information technology in society, that to a large extent implicates such a systemic aspect by formulation of the *Danish IT model* and by initiation of broad development programmes concerning not only the business sector but also sectors and issues like education, research, health care and environment.

In summary, it may be said that recent theories of both regional and technological development attach significant importance to the qualities of local and regional frame conditions. These frame conditions comprise the entirety of the industry structure, physical infrastructures, networks relations, competences, political, institutional, social and cultural properties of a given area. Also, the theories attach importance to whether the firms have access to and participate in the regional, national or international networks and innovative environments that contribute to develop new knowledge and technologies. In turn, the ability to innovate affects the competitive position of firms. Relevant questions include:

- are frame conditions in peripheral regions as good as in core regions?
- do firms in peripheral regions have as good opportunities of participating in the relevant networks and innovative environments, as firms in core regions?
- and what role does telematics play or could it play in this connection?

The questions cannot be answered simply and unequivocally. The qualities of the individual regions are in terms of attractiveness for different types of economic activities very different. They may, however, be classified by economic, geographic or demographic criteria. For example, income level, number of firms, size and distance to core regions and metropoles, population density and age distribution all vary by region. Just as there are stagnating and declining core regions, there are growing and developing peripheral areas (Henry and Drabenstott, 1996).

However, there is no doubt that physical distance, all other things being equal, is a disadvantage in terms of time and money, and that a small population does not give as great a local market and as varied supply of labour, services, education, consulting, suppliers, co-operative partners etc., as a great population. Though the development of modern transport and communication technologies certainly has allowed a less costly and more smooth long distance interaction, it has neither eliminated the needs for regular and direct face-to-face contact to exchange certain types of information and knowledge³, nor the advantages of proximity - both in terms of geography and in terms of shared language, values and culture (Malmberg and Maskell, 1996).

This proximity advantages probably explains to a great extent, why firms within related industries and sectors often localise themselves in the same area. Localised in the same area they can constitute a specialised industrial environment with distinctive competences, mutual learning processes, associated service and supplementary industries, educational institutions etc. Such specialised industrial environments may of course also be present in peripheral areas. But, as mentioned above, the number of inhabitants puts a natural limit to the number of actors in the regional learning processes and to how differentiated and specialised the attached sub-

³ Thus, in parallel with the development and diffusion of telecommunication technologies there has been a great increase in person transport in the industrialised part of the world (Malecki, 1996).

supplier and service systems can be.⁴ Generally the geographical catching area for relevant partners and specialised sub-suppliers and services therefore has to be larger for firms in peripheral regions than for firms in core regions. Thus, as not even the most advanced types of telecommunications replace the need for face-to-face contacts, peripherally located firms still have certain distance barriers in covering their needs for information, knowledge, services etc.

Telematics does not automatically lead to decentralisation of the economy and it has not eliminated the disadvantages of peripheral localisation. In some ways it perhaps has even fortified these disadvantages. For example, diffusion of telematics in rural areas is often hindered by a less developed telecommunications infrastructure than in core regions (Malecki, 1996). And even in countries with a relatively well developed and decentralised telecommunications infrastructure, the peripheral areas' exploitation of telematics is often constrained by an relatively low level of education and a limited supply of the new types of labour, services, suppliers etc., necessary for the implementation of technological change.

However, peripheral areas do have the opportunity to utilise the technical potentials of telematics for real economic and social development - though such a development does not occur automatically. In the following section specific examples of opportunities and barriers for peripheral areas of utilising telematics are given from three different industries.

Telematics in three selected industries

Telework

Telework is a general designation for a number of new work forms and products, which cuts across traditional industry boundaries, and can be defined as work which is being carried out at an electronic medium and where the product is delivered to the customer in digital form, either over telecommunications net or on disk. The organisation of telework can have a great number of different forms. For example, it may be carried out by employees, who have made a deal with their employer to fulfil their tasks (or part of these) from their home or in different types of media houses or telecottages near their home. It can also be carried out by freelancers or by independent firms with own employees. Thus, telework is work which is based on and often created through the new information and communication technologies.

In principle, all forms of work with information which may be digitised, be it numbers, text, photos, sound or combinations of these, is potentially telework. It may be traditional tasks. For example, journalists, lithographic artists, constructors, designers, consultants, secretaries, auditors, accountants etc., may today take advantage of

⁴ This is of course an argument, which is only valid in relation to the geographic distribution of the population at a given point of time. However, over time this distribution may change dramatically. Also the concept of periphery used in this article is historically relative.

being able to carry out their work electronically. It can also be completely new work tasks which have arisen because of telematics, for example software development. With computer, access to telecommunication links (cable, radio chain, or satellite based), and manpower with the necessary skills to operate and maintain this equipment, these kinds of tasks can technically be carried out anywhere in the world, independent of the distance to the client.⁵

However, the need for personal meetings between clients and teleworkers can seldom be completely replaced by use of telecommunication technologies. Before entering into formal contracts about carrying out work tasks, there will unquestionable be need for personal meetings to build up the necessary trust and confidence between the parties and to negotiate the agreements and expectations. Also during the phases, where the teleworker accomplishes the tasks, regular personal meetings with the client will be necessary in order to solve problems which might have arisen, ensure quality, re-negotiate agreements, work schedules etc.

The new technical possibilities have meant, that many firms and public institutions are able to organise the accomplishment of a number of tasks as telework and thereby gain economically from rationalisations in the form of increased productivity, lower rents or wages, etc. For example, many American firms today out-source a number of back-office functions (book-keeping, accounting, keying-in of data, word processing etc.) to firms in low-wage countries like Barbados, India, China, the Philippines, Ireland etc. (Malecki, 1996).

There will, however, hardly be a general trend for firms to out-source and decentralise their most highly qualified and strategic functions (for example RTD activities and management) to distant teleworkers. Due to the continuing increase in the information and knowledge needed to produce competitive products firms are motivated to maintain their strategic research and development activities in major cities near universities and headquarters of large firms and organisations, providing a much greater supply of specialised high skilled labour than peripheral areas. Besides, especially highly qualified work tasks like RTD and management activities require regularly non-routine discussions, negotiations, exchange of information etc., that are very difficult to carry out by use of telecommunication technologies. Direct face-to-face communication is needed.

Nevertheless, although firms and public institutions perhaps will be reluctant to outsource their strategic and most innovative and qualified functions a significant growth in the number of teleworkers is expected in future. The European Commission has formulated as a goal for the EU member states, that 10 million people (ap-

⁵ The message is not to claim that today it is technically unproblematic to communicate electronically via telecommunications networks. Rather the message is to point out the facts that today fairly reliable and user friendly systems exist and that it is not the purely technical problems, which are the main obstacle for the diffusion of telework.

proximately 7% of the work force) carry out their jobs as teleworkers in year 2000 and has started several research and development programmes in order to reach this goal (Korte and Wynne, 1996). So far, the opportunities to organise the accomplishment of work tasks as telework has only been exploited to a limited extent - at least in Denmark, where approximately 9.000 people (0.3% of the work force) were full-time employed as teleworkers in their homes in 1994 (Andersen Management International, 1996). The current very modest diffusion of telework in Denmark is apparently not because of technical obstacles, but mainly insecurity about what the consequences might be, and organisational and ideological inertia from employers as well as employees. However, also in Denmark telework is put at the political agenda as an objective for public intervention (Danish Ministry of Research, 1996a), and today several governmental and other public institutions are engaged in large-scale telework projects.

But which areas - in geographical terms - would especially be able to benefit from the expected growth in the extent of telework and what factors are in this connection decisive? Obviously, a precondition for growth in telework is the presence of a relatively extensive and well functioning telecommunication infrastructure with sufficient capacity required by telework tasks. An investigation of teleworkers on the Danish island of Bornholm (Storgaard, Manniche and Marcussen, 1996) has shown, that most telework tasks can be handled by means of an ordinary telephone line and that the tasks only seldom require capacity beyond ordinary ISDN connections, i.e. 64 Kbit/sec. Such connections are supplied in most parts of Denmark, but in the peripheral areas of many other countries with greater geographical distances and a more liberalised telemarket, the quality of the telecommunication infrastructure is usually much lower than in cities.

Another condition for an area to be able to attract telework is the presence of sufficient technical service and support. This requirement may very well constitute a serious barrier for peripheral areas to attract telework demanding more advanced or special equipment and software. The investigation of teleworkers on Bornholm revealed, for example, that several of the teleworkers carrying out text, picture and layout tasks on Macintosh computers, experienced difficulties in getting technical support, when the employee in a local computer firm, which was in charge of the support for the Macintosh users, left the island. However, just like the telecommunications infrastructure, the supply of technical service is reasonably good in most parts of Denmark. And besides, many teleworker frequently make use of distance independent computer networks, for example the Internet, for keeping technologically abreast and for support (Storgaard, Manniche, and Marcussen, 1996).

A serious barrier against peripheral areas in high wage countries to gain from the expected future growth in telework may be their competitive disadvantage against the newly industrialised countries with much lower wages and which also may have a large and well educated work force and a sufficiently developed telecommunications

network. If firms out-source work tasks to teleworkers they might as well go one step further and source the tasks from the area, if this will maximise the economic benefits for the firm. On the other hand, teleworkers in distant parts of the world will often have great linguistic problems of carrying out information work tasks for firms in countries with *small languages*, such as the Scandinavian ones.

Because of the relatively wide distribution in Denmark of traditional development conditions like communication infrastructures and supply of technical support, the residential preferences of the work force seem to be very important for which areas that will benefit from a growth in telework. Areas with attractive nature, safe atmosphere, well functioning public and private services and facilities (schools, shopping etc.), varied cultural offers or other similar qualities will be in a better position than areas without such qualities to attract teleworkers and thereby get new jobs and important input to local competence building and to social and cultural life. Consequently, if local governments want to attract teleworkers from outside the area and to stimulate local establishment of telework, not only traditional means of promoting business activities should be applied, like for example developing the telecommunications infrastructure and the necessary technical service and support. It is also important to establish and develop attractive natural/environmental, social and cultural frame conditions.

One of the findings from the bornholmian investigation was, however, that the perhaps most important element in strategies for stimulating local telework seems to be the establishment of some kind of a telework promoting organisation. The investigation clearly indicated the need, that some local actors actively take up the role of marketing the area as an advantageous location for teleworkers and of helping potential teleworkers to solve all those practical, legally, technical, organisational, financial and other problems, that unavoidably occur in the start-up phase as teleworker. This role can presumably not be driven on private basis, due to the modest financial resources of most potential teleworkers. So, to a large extent it has to be based upon public intervention and involvement.
Tourism

In this section opportunities and limitations of the application of telematics within the tourism and travel industry - especially in peripheral areas - are dealt with. Since the tourism industry is actually composed of parts of many industries, in the following we will focus on hotels.

The mere fact that hotels may be located in peripheral areas hardly implies any limitations as to their utilisation of telecommunications based information and sales channels. There are, however, a number of typical differences between hotels in centre vs. peripheral areas, which have implications for which electronic information and sales channels, which are most relevant, that is, which ones it is economically feasible to utilise.

Parameter/factor:	Centre	Periphery	
Market segment	Relatively large share of	Relatively large share of	
	business travellers	leisure travellers	
Price level	High – medium	Medium – Iow	
Open	All year	Only in season	
Number of rooms	Relatively many rooms	Relatively fewer rooms	
per hotel	per hotel	per hotel	
Individual products	Hotel nights primarily	Both individual products	
or packages	as individual products	and as part of package tours	
Number of nights	One or two nights:	About one week:	
per guest per visit	as individual products	Relatively long stay	
Opportunities for sales	Limited	Good	
apart from breakfast			

Table 1. Typical characteristics of hotels in centre vs. periphery

In peripheral areas there will generally be a relatively large proportion of leisure travellers/tourist and thereby a relatively small share of those who travel to and stay in the peripheral area because of their work. Typically the tourists come to the peripheral area on their own account and by their own choice to relax and enjoy nature and sights, primarily in a limited part of the year. The price level at holiday hotels are typically a little lower than at business hotels. Also the fact that holiday hotels in peripheral areas to a greater extent than business hotels in centres are part of package tours contributes to reducing the price per night. Furthermore the former have peaks at one or more seasons, and their average size is smaller. Because of few alternative eating and entertainment opportunities in the area around the hotel, holiday hotels in peripheral areas have good opportunities of retaining the spending of their guests during their stay *within* the hotel, i.e. the hoteliers can encourage their guests to dine at the hotel and to spend time and money in the bar etc., for example by providing music. Nevertheless, the basis of revenue for hotels in peripheral areas is limited by several reasons already stated, and therefore also costs - including spending on telematics - must be kept at a moderate level.

The price of computer equipment for internal use and the price of participation in telecommunications based information media and booking systems are independent of the size of the hotel. Thus, for the typical tourist hotel in a peripheral area it is more difficult than for the typical business hotel in a centre area to financially justify investments in computer equipment and participation in telecommunication based information media and booking systems. Marketing and sales (distribution) of hotel nights - individually or as part of packages - takes place through a chain, which may consist of the following links:

Figure 2. Distribution of hotel nights



The distribution chain may be electronic. In that case the distribution chain is largely the same, except that an extra link is required for the mediation of the electronic communication.

Until a couple of years ago the telematics based systems only comprised those reservation terminals (now PCs), which are used by travel agencies for booking of primarily air tickets, secondarily hotel nights (and car rentals). The extremely fast development of the Internet, which has occurred during the last couple of years, has meant that there is a rather common direct electronic communication/distribution channel between tourism firms such as hotels and the individual tourists, which as mentioned may be leisure or business travellers.

The proposition must be made that that the advent of WWW and the possibilities of utilising the medium benefit hotels in rural areas relatively more than hotels in centres. Several factors support this proposition. The relatively expensive travel agency oriented booking systems (Computerized Reservation Systems, known as CRSs for short) primarily benefit the large and expensive hotels in centre (Beaver, 1995), which are oriented towards business travellers. Contrary to this, WWW gives more equal opportunity for all, since even small hotels located in a peripheral area may make themselves present on the Web, in principle world-wide, at a reasonable price. In other words, it seems that WWW comes to the rescue of small and medium sized hotels, also those located in peripheral areas, which otherwise is being *strangled*

because of lack of CRS accessibility (Beaver, 1995). Hotels in peripheral areas may benefit from joining forces and present themselves at a common platform on WWW.⁶ The advantage is that lots of interesting information about a given peripheral area can be shown under a single umbrella, which should attract many virtual visitors, of whom some would hopefully get tempted to make an actual holiday there.

For hoteliers there are costs involved with hotel bookings received from the travel agency oriented systems (CRSs) for individual room nights, both in the form of an annual subscription fee and a fee per booking received. These costs can - if the hotels join these systems via a hotel representation firm or hotel chain - diminish the gross profit per room night significantly. Leisure hotels (in peripheral areas) may choose *only* to distribute themselves electronically via WWW, while business hotels should probably *both* distribute themselves through the travel agency oriented systems *and* WWW. Although *off*-line booking following the Internet user's search for information on hotels on WWW is a slow form of booking, WWW is an information medium - and increasingly a sales channel - which only few hotels can afford to disregard, and that also goes for hotels in peripheral areas.

Manufacturing industries

The products of the manufacturing industries are physical whereas the output of telework and tourism is services. In addition to this the need for face-to-face communication in manufacturing industries is generally less than in service industries (Illeris, 1987; Malecki, 1996). Or perhaps more precisely: Within the manufacturing industries it is especially order manufacturing firms with customer adapted products, which need face-to-face communication with the customers. And furthermore, in these firms the needs are often centred around identifiable and distinctive functions and phases. For example, personal contact is important at order intake, where exchange of information about the particular requirements to the product and negotiations of sales and delivery conditions takes place, and at delivery of a prototype of the finished product, where the manufacturer demonstrates it and the customer evaluates quality.

Contrary to such situations the communication about routine administrative, technical and practical issues can often be managed by traditional (non-electronic) means of communication, e.g. telephone, fax and mail, though electronic communication technologies, like e-mail, Internet and EDI⁷, play an increasingly important role in major parts of the manufacturing sector.

⁶ See for example *Bornholm on Internet* at http://www.bornholminfo.dk or *Tasmanian Tourism Operators with a presence on the WWW* under *Tasmania on the Web* at http://www.tas.gov.au/tourism/tasweb.html.

⁷ EDI (Electronic Data Interchange) is electronic systems for exchange of structured data, like purchase orders or invoices, direct between enterprises computers via telecommunication, i.e. without re-keying of data in the receiver firm.

In addition, the development of transport technologies and infrastructures and the general increase in technological complexity and content of knowledge in products and production processes, have marginalised the influence of transport costs on the price setting of most products. As a result, a lot of manufacturing industries can be localised far more distant from their markets than earlier, e.g. in places where wages and real estate prices are lowest and the necessary labour skills are available. Thus, in Denmark and in many other Western countries the recent decades have been marked by a significant overall decline in the industrial employment in the traditional industrial core regions, i.e. the major cities, and a similar significant overall increase in the industrial employment in many peripheral areas (Maskell, 1986 and 1992; Malmberg and Maskell, 1996).

Malmberg and Maskell (1996) have analysed the development of localisation patterns for manufacturing enterprises in Denmark, Finland, Norway and Sweden from 1970 to 1990. Their study clearly indicates that the manufacturing sector as a whole had been geographical decentralised in all four countries. However, their study also indicates that this overall decentralisation of the manufacturing sector was the net result of a process, through which most individual industries had become more localised, i.e. geographically centralised. In other words: the manufacturing activities are geographical diffused from traditional centres in the big cities and to (some) peripheral areas but the diffusion process does not follow a pattern of randomness. Enterprises with similar manufacturing activities apparently tends to clustering in certain areas with especially advantageous localisation conditions. In a Danish context some examples of this tendency to cluster formation in traditional peripheral regions are the electronic industry in North Jutland and the textile industry in West and Middle Jutland.

Such localisation advantages can consist in specific natural or resource related conditions or in other physical-materialistic properties of the region. A far more important reason for the indicated ongoing agglomeration process is, however, presumably the advantages of agglomeration in itself, i.e. of localisation in an *industrial milieu* with specialised skills, competences and tacit knowledge, service and subsuppliers, educational systems and other private and public institutions, altogether constituting an institutional framework for certain manufacturing activities.

The cluster formation tendency supports the above mentioned argument that firms innovation and development processes not exclusively are driven by the formal research and innovation systems of universities and research institutions in the big cities. Crucial inputs are provided through interaction and learning processes related to specific production processes and industrial milieus located distant from such systems.

However, the overall decentralisation of the manufacturing sector has, as mentioned above, not credited all peripheral regions. The islands Bornholm and Lolland are Danish examples of peripheral regions in which the manufacturing sector has not developed as favourable as for instance in West and Middle Jutland. In addition, the cluster formation tendency rather confirms the importance of proximity to central cooperation partners, suppliers etc., than that localisation in places distant from markets, financial centres, national and international knowledge and expertise systems in itself are advantageous.

So, although telematics enhances the opportunity for distance independent communication it does not automatically lead to industrial development in the weakest industrialised peripheral regions. Nevertheless, manufacturing enterprises located in peripheral areas will, anything else being equal, potentially be able to gain greater advantages by use of telematics than manufacturing enterprises located in centre regions. Telematics provides a lot of possibilities for peripheral located manufacturing enterprises to strengthen their communication and interaction with customers, suppliers, consultants and co-operation partners, to ease their access to information and knowledge necessary for their production, to reduce their travel expenditures, i.e. to diminish some of the disadvantages and barriers connected to peripheral localisation. Some of the technological possibilities, which in this regard comprise important potentials, are:

- conference systems (video or computer based) for meetings, consultancy, education etc.,
- EDI systems for exchange of structured (administrative) information,
- e-mail systems for exchange of unstructured information's,
- Internet applications for marketing and search for specialised information, suppliers, co-operators etc.,
- and so called Engineering Whiteboard systems, i.e. multimedia based computer network applications with facilities for simultaneous co-work on shared electronic data and for simultaneous video and computer conferencing on the same screen - facilities which are highly useful in firm co-operation processes, for instance concerning product design and construction.

Manufacturing companies in peripheral areas can apply telematics in their communication with customers, suppliers, and teleworkers which might be associated, no matter if these are placed locally, in other parts of the country, or abroad. Like in other industries, one important technological trend within the manufacturing sector is integration of firms internal electronic data processing and external electronic communication. That is, for instance, the central idea of EDI. The use of EDI is especially widespread in the link between manufacturing firms and their customers, such as retail chains, or in the link between subsuppliers and large factories, for example within the automotive industry. If small and medium sized manufacturing firms in peripheral areas or elsewhere hope to maintain their supplies to retail chain, large companies etc. using EDI, EDI is or becomes a *must*.

Now the much wider concept of Electronic Commerce has emerged. Electronic Commerce is defined as *any form of business transaction in which the parties inter-act electronically rather than by physical exchanges or direct physical contact* (The European Commission, Esprit Programme, 1996). The parties may be two firms, a consumer and a firm, or a consumer/firm, which communicates with public institutions. Electronic Commerce comprises a whole range of well established as well as more recent tools, including fax, e-mail, WWW, EDI and electronic payment.

For manufacturing enterprises located in peripheral areas - and both in Denmark and in many other countries these constitute a considerable share of the total population of manufacturing firms competing internationally - telematics is clearly rather an opportunity for development than a threat for survival. Surely one can argue, as in the above described case of telework, that firms conditions for actually realising these opportunities in general are less favourable in peripheral areas than in core regions, due to more limited supplies of services, consultancy and educational institution to insure the presence of the necessary technological competences. Compared to the present development stage of telework the manufacturing sector are, however, far more well-organised. Due to the long industrial tradition of manufacturing the needs of this sector is in many Western countries institutionalised in widespread supplies of specialised service, consultancy and educational institutions. This is definitely an important prerequisite for technological development and innovation irrespectively of localisation.

On the other hand, the long history of industrial manufacturing have also resulted in institutionalisation of technological and organisational paths, that can be very difficult to break for the actors within the sector. Today, the paths of the well-known Industrial Society are intensely challenged by the demands of the up-coming global Information Society. The emergence of Information Society will indisputably bring along radical changes in manufacturing firms' organisation of functions and processes, like marketing, external and internal communication, product innovation, etc. A serious barrier for the accomplishment of these changes will probably be the difficulties in transcending the horizons, the ways of thinking, doing things and solving problems of the Industrial Society, that the actors are born into. Whether this barrier would be greater or smaller in rural peripheral regions than in urban regions is very difficult to say. In general, one would expect that urban populations have taken one step further towards Information Society than most rural populations.

Perspectives and discussion

Telematics - the combination of *tele*communications and infor*matics* (computers) - generally improves the possibilities of faster and more efficient communication between suppliers, customers, and other partners. The below figure is general enough to cover the three widely different fields telework, tourism, and manufacturing industries. The focal area may be a peripheral area, but the model may also be applied to other focal areas.⁸

Figure 4. How does telematics affect firms' relations to their external employees, suppliers and customers as well as the bases of competition for firms within a focal area?



The so-called *teleworkers* can be placed three different places in the model:

- 1. As external employees.
- 2. As employees with suppliers to firms in the (peripheral) area.
- 3. As employees in firms in (the peripheral) area, which produce and deliver services to customers outside the area by means of telematics.

Thus telework can firstly be performed by persons, which are employees of the firm, for whom the work is carried out. Secondly telework may be carried out by a service supplier (which may be a one-man business), which delivers the result of their work *to* firms in peripheral areas. Thirdly, telematics also opens the opportunity to *supply services using telematics* for firms *in* the periphery.⁹ For example, it may be transla-

⁸ An area is here thought of as *a region*, but the *focal area* may actually also be an industry.

⁹ Of course teleworkers living in the periphery may become employees of firms in centres, and people who are already employed by firms in centres may become teleworkers by spending one or more days a week at home, at telecottages, or on the road, and then keep in touch with the employer via telematics.

tors or computer programmers, who could use e-mail (possibly using attached data files) for communication with their client. Telework can in principle be carried out anywhere in the world and be delivered within minutes. Telematics opens the market opportunities for services, but the threat is that competitors - who may be located in an area with relatively low wages - utilise the new opportunities more efficiently. This applies generally, but the perspectives in breaking down the geographic barrier is greater for firms in peripheral areas than for firms in centres.

Tourism firms - at least those within the hospitality industry - primarily have local suppliers.¹⁰ On the other hand, their customers mainly come from outside the area, and for the hotels all of the customers are *overseas* visitors. In the case of hotel accommodation the service has typically been booked before the guest arrives and receives the service.¹¹ Telematics can be applied for information processing before and during the sales, which may be carried out directly between product owner and customer or via a travel agency. Within tourism telematics presents a whole range of new information and sales channels. Thus, there are a number of new opportunities for reaching the target markets. The challenge for managers of touristic firms is to choose the combination of media, which is optimal for that particular firm. Furthermore, touristic firms - like all other firms - must endeavour to make the (economically) best possible use of computers internally for the administrative functions.

In connection with the adoption of the new opportunities within telematics, the individual firm can choose either to be a technological leader or a technological follower (Porter, 1985: 181), and there may be some advantages and disadvantages associated with both. If you are a technological leader this opens the opportunity of a positive differentiation from competitors. On the other hand, those who are (too) early, run the risk of going for the wrong technology, there are relatively few trading partners, with whom to communicate with via the new technology, and there is a risk of having to spend time/money to educate the partners in the use of the new technology. The advantage of being a technological follower is that you can learn from others - and thus avoid the possibly expensive mistakes which they have made. Risk for the followers is, though, that they will differentiate themselves negatively from competitors, and thereby lose customers, by not being able and willing to apply the new information and communication technologies. Seen from a regional perspective it is important that the local organisations (such as chambers of commerce, counties etc.) keep themselves informed about new developments within telematics, and then pass their knowledge of the opportunities on to local firms, and possibly start initiatives within telematics, which may simultaneously benefit one or more industries.

¹⁰ According to ongoing research by Ms. E. Sundgaard of the Research Centre of Bornholm, between 80 and 90 percent of the purchases by hotels and restaurants on the peripheral island of Bornholm are from local suppliers.

¹¹ Thus, there is only 4 or 5 percent walk-in at hotels on Bornholm (Storgaard, Manniche & Marcussen, 1996).

While - in most countries - it is up to telecompanies and regional and national political actors to provide the basic prerequisites for businesses' exploitation of telematics (and for innovation and development in general), it is up to firms to meet the challenge of telematics and realise its potential advantages. It can be a hazardous attitude to consider telematics as a somewhat risky factor that one can avoid by not making any actions at all. The technological development will continue with or without the enterprises in the peripheral areas. Still, the development of telematics is not determined by any natural laws but only by impulses and active participation of businesses, politicians, engineers, organisations, ordinary citizens etc. and can be influenced by peripheral regions and enterprises. Telematics do not eliminate the importance of cities and the element of physical distance for economic development. But it certainly *can* give firms in peripheral areas the opportunity to compensate for some of the disadvantages of their localisation, and *can* give the populations in the periphery the opportunity to combine a countryside-living with city-like jobs and education.

In summary, our answer to the question formulated in the title of this article is the following: Telematics is in itself neither an opportunity nor a threat. Telematics can be both. If the populations and firms of peripheral areas timely grasp the potentials of telematics and meet the challenge of change with strategic actions to exploit them, telematics will be an opportunity for development. If the attitude to telematics is that it is a factor that one can avoid by not making any actions at all, telematics will be a threat to development.

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2.6 Boondoggles and Broomsticks: Projects that Go Bad and their Discipline

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Abstract

The term *boondoggle* has been used to describe any unnecessary or wasteful activity. The term is suggestive of a class of activities that can be found in project organizations. The process by which boondoggles arise is thus described and two types of boondoggles are discussed in association with existing examples from the literature. In these projects, money is spent, frequently large sums, without producing positive output. That is, focus is placed upon spending and not progress. Relief from boondoggles is provided by a return to the fundamentals of project management, i.e., insisting that projects have quantified goals and a specific time frame and budget in which to accomplish them. Furthermore, use of project audits would appear to alleviate the propagation of boondoggles, and more time in pre-project analysis might prevent their initiation.

Introduction

In 1959 Charles Lindblom wrote a classic paper entitled *The Science of Muddling Through*. That title somewhat belied the content of the paper. *Muddling* carries with it the connotation of confusion or wrong headedness, a stumbling about as it were. The paper actually was a prescription for successfully handling complex policy problems untenable to a rational, systematic approach. That is, an approach had to be selected without knowing precisely what the outcome might be, and consequently, goals could only be set after some progress was made by negotiations among the involved parties. This process of follow-up on positive feedback Lindblom called *muddling*.

The misconception, however, is suggestive of a class of activities that can be found in project organizations, especially nonprofit ones with (over) ambitious goals. These activities involve considerable oratory and more sums of money, but produce no measurable results. We call them *boondoggles*. They represent the activities that tend to give projects a bad name. Just as muddling is a funny word, so is boondoggle. This typically North American term is often applied in two specific ways, either to describe work of little or no value done merely to appear busy, or in reference to a government-funded project with no purpose other than political patronage. It can also be used for an unnecessary journey by a government official at public expense. In a more general sense, it has been used to describe any unnecessary or wasteful project.¹²

There is nothing funny about the word, however, when it is used to describe projects or programs – especially ones in which we happen to participate. And these projects do exist. If one were to key into the search engine Google the word *boondoggles*, one would find reference to 15 pages of boondoggles (neglecting those references to a rock group by the same name). The purpose of this paper thus is to present a rationale of how boondoggles tend to arise. And broomsticks? Well, we just attempted to develop a catchy title for this paper. In reality, however, we note the previous practice of mid-American mothers (and perhaps some European ones also) who recognized there were two ends to a broom. One, of course, was used to keep the household clean. The other end served quite well in instilling discipline into family offenders with a well-placed whack. We reflect on the analogous whacks that might be used by management to instill discipline into potential boondogglers and their boondoggles. This paper should be of interest to academics who study projects and/or project management in a general sense. It should be of particular concern to project managers who recognize the dangers of boondoggles and thus would like to stay away from them.

Boondoggles in Theory and Practise

Muddles and Projects

Ekstedt et al. (1999, 53) have suggested that a common denominator in project theories is a focus on defining projects, and on defining them in a way that the definition is useful for the problem to be solved or for the task to be fulfilled. Turner (1999, 11) indicates that the problem definition stage is a stage of high uncertainty, i.e., variances in estimates of the needed time and money of the order of +/- 50% being a norm. Part of the initial project process is thus to go through a series of steps in which goals, resources and timing are defined. In the Turner model, this

¹² Weird Words - http:// www.quinion.com/words/weirdwords/ww-bool.htm. The origin of the term is not clear, but whatever its origin, it was an article in the New York Times that converted boondoggle from a word existing quietly in its own little world to one of public importance. That article on 4 April 1935 had the headline \$3,187,000 Relief is Spent to Teach Jobless to Play ... Boon Doggles Made. The boon doggles of the headline turn out to be small items of leather, rope and canvas, which were being crafted by the jobless during the Great Depression as a form of make-work. The article said that the word was simply a term applied back in the pioneer days to what we call gadgets today. It was suggested that boondoggles were small items of leatherwork, which were made by cowboys on idle days as decorations for their saddles. The name of Robert H. Link, a scoutmaster of Rochester, also often turns up when people write about this word. It is sometimes said that he invented it, certainly that he used it for the braided leather lanyards made and worn by Boy Scouts, or for other small craft projects intended to keep Scouts out of mischief.

sequence is a four-stage process that is only complete when the project outcome is delivered.

The first stage in project definition can thus be thought of as a muddling stage consistent with Lindblom's description. That is, an iterative process is initiated in which consideration is given to both the objectives that might be achieved through some effort and the effort itself. The test of a *good* approach is typically one in which various analysts find agreement. Of course, in this process important possible outcomes can be neglected, as may alternative approaches. The consequence of this process we call muddles. That is, in a typical project definition situation, there is some point in which both the objectives that will be achieved and the resources required in a project are vague and regarded with suspicion.

In the ideal case, muddles become projects. In other words, vague objectives and vague resource requirements end up being specified. This process is shown in Figure 1 as a path from undefined objectives and resources to specified¹³ objectives and resources. Put another way, through a process consistent with Turner's (1999) description, both objectives and resources are defined and quantified. (In all cases dealing with Figure 1, resources include time, money, people and system assets).



Figure 1. Activities in a Project Environment

¹³ *Specified* here takes on a special meaning because projects frequently are multi-year activities. Thus, their overall budget transcends the *normal* one-year specification. Specification itself is a relative thing – Turner indicates even at completion, estimates are +/- 5%. Usage here implies that a good idea is held initially what a project will cost and certainly on a yearly basis costs can be anticipated in advance.

Not all situations in real life, however, are ideal. It may be possible, for instance, to specify resources, but to be unable to specify outcome. In some cases, these activities have been described and discussed as legitimate projects. Turner (1999, 26) indicated organizational change projects fall into this category. The IT examples cited by Linde et al. (2003) also seem to be in this category. Likewise, Ekstedt et al. (1999) would probably associate their *renewal* projects with this type of projects. In this regard, these authors indicated they have never found an organization renewal project to be completely successful.

Boondoggles of the Lesser Type

Certainly, it makes a difference whether projects succeed or fail, and there is a chance that any project may be a failure. Projects are risky endeavors – an element of uniqueness is inherent in the definition of a project (c.f. Nicholas, 2001, 4), which implies that risk is involved and thus a chance of failure. Just as clearly, there is some room for something in between, i.e., the *partial success*. There are, however, situations where projects are total failures. We call these projects Boondoggles of the Lesser Type.

We do not stigmatize project failures (nor do we applaud them either). In operations such as product development, a record of only project successes might indicate that the approach is too conservative (Wheelwright & Clark, 1992). Nevertheless, if a project turns out to be a failure – especially if it cost great sums of money, it could¹⁴ carry a boondoggle label. Recently, Royer (2003) reviewed two *failure* projects that were carried on much longer and much further in the face of negative evidence than prudence would have dictated. Her particular term for these projects was *dead horse*, and the activity of the project leader as *flogging a dead horse*. She associated this behavior with a collective belief in the projects' ultimate successes.

The other type of Lesser Boondoggles is one in which work is completed, but turns out to be of a questionable relevance, i.e., *work of little or no value*, regardless of cost. At one time, a congressman in the U.S., Senator William Proxmire, presented *Golden Fleece* awards on a periodic basis. This award was not to commemorate Jason and the Argonauts, but rather to recognize the single project that *fleeced* the taxpaying public out of the most dollars. The distinction was not given to just any example of government waste in the federal budget. Instead, it was awarded to federal programs that most Americans would agree were outrageous and wasteful. For example, although Senator Proxmire believed that the MX Missile was a waste of money, he never gave a Fleece to that program. More importantly, projects receiving the Golden Fleece Awards did not necessarily have high costs, but rather violated a principle of responsible government spending. Some examples include a \$27,000

¹⁴ Could, should, would? One must be careful with words. Would one call the Sydney Opera House a boondoggle because it was 14 years in the making and 1400 percent over initial cost estimates? Probably not now, but it certainly must have seemed boondogglish in the making.

study to determine why inmates want to escape from prison, and a \$6,000 17- page document on how to buy Worcestershire Sauce. It has been reported that Proxmire's own favorite was the study to find out whether sunfish that drink tequila are more aggressive than sunfish who drink gin.

Boondoggles of the Greater Type

Figure 1 indicates that Boondoggles of the Greater Type also exist. These activities have objectives, but they are very vague and the resources required to achieve these objectives never seem adequate to achieve the objectives. Consequently, the activity goes on and on, chewing up more and more resources with time. A *cost push* reason for going on is often invoked in these circumstances. Some observers have called this process, *stuffing money down a rat hole*.

It is possible to provide a rationale for activities that develop in this quadrant. Senge (1990, esp. 93 ff) has described how *patterns of behavior*, especially those requiring feedback, tend to produce unanticipated, even unwanted, results. In the analysis of a number of business-oriented situations, he makes the observation that it is frequently the *balancing* loop that controls the situation instead of a process consistent with more *conventional* thinking, as shown by a *reinforcing* loop. An attempt has been made to apply that model to these *type 2* boondoggles in Figure 2.



Figure 2. Development of a Type 2 Boondoggle (Adapted from Senge, 1990)

One of the characteristics of most organizations, especially nonprofits (the frequent home of boondoggles) is an articulated need for money before any substantive work can be done. Thus, in Figure 2, the development process starts with obtaining a budget. The purpose of the budget is to obtain the progress intended in the original proposal. That is, in development thinking, budget and progress are linked – more money, more progress; and vice versa, less money, less progress. In other words, progress is the dependent variable; budget the independent.

An analysis à la Senge (1990) would suggest that two balancing loops might manifest themselves in this operation. In real life, the acquisition of resources is supposed to follow the budgeting process. This loop (Figure 2) contains a delay, however, as balancing loops tend to have. One cannot requisition either personnel or equipment and have them immediately manifest themselves. That is, there are ordering, response and adaptation factors to consider. As a result, there tends to be a lack in progress toward the goals that were originally set. Hence, as time moves along, more money is requested in order to speed things along. Then there is a lag between the request and the fulfillment of it. Due to the delays between requests and fulfillment and the ordinary delay referred to before, progress again does not match expectation, and so more resources chase more results – without ever catching up.

A second type of balancing loop also may develop in these activities. That is, an external evaluation loop may appear necessary, and this loop is also shown in Figure 2. In this type of loop, an external evaluation is made of the progress in the activity that is being supported by the budget. Naturally there is a delay before recommendations can be made and another before actual changes can be implemented. This process also contributes to the perception that things are just moving too slowly in the program.

To this point, nothing has been noted that could not be associated with successful projects that required exhaustive resources and fundamental discoveries, e.g., the Manhattan Project or some of the NASA Projects. Projects in this quadrant become boondoggles when goals are displaced – the focus turns from progress to funding to survive. In other words, when efforts turn from reaching defined objectives to *holding the effort together*, then conditions are ripe for a Boondoggle of the Greater Type. Put another way, when *decent*, *safe*, *and sanitary home and suitable living environment for every American* (see next paragraph) becomes the cause and financial support of this cause becomes the objective, then conditions are set for boondoggling. When the actual efforts lead to counterproductive results, the scene is set for a world class boondoggle.

As an example of this type of program, we consider the history of public housing in the U.S., which is administered by the Department of Housing and Urban Development (HUD). HUD was created in 1965, but its history extends back to the National

Housing Act of 1934.¹⁵ The mission of this agency is to assure a decent, safe, and sanitary home and suitable living environment for every American. Its performance has typically been viewed as a failure in terms of outcome for money spent (Varady, 1998). In practice, *public housing* has become associated with unruly and possibly dangerous tenants (von Hoffman, 1998) and *projects*¹⁶ with slums. In part, this failure has been associated with breakdowns in the agency responsible for administering housing programs (Welfeld, 1992), but also because housing for the ill-housed has never been the central feature of U.S. housing policy. Instead, it has been a part of some other program such as job creation, slum clearance, stilling racial unrest, or other social programs (Marcuse, 1998). Consequently, policy and practice continues to undergo introspection, criticism and change. All the while, however, significant portions of the U.S. federal budget continue to go into this program. The proposed budget for 2004 is reported to be 31.4 billion dollars.¹⁷

The U.S., of course, does not have a monopoly on boondoggles. The Expert Group on Public Finance (ESO) in Sweden regularly looks for Swedish boondoggles. Swedish regional policy seems a likely boondoggle, according to ESO reports (Ds 1999:50, Ds 2001:59). The goals of Swedish regional policy concern sustainable growth, justice and freedom of choice, this to ensure that people can live and work everywhere in Sweden while enjoying equal living standards. The recent proposition about regional policy (1997/98:61) stated that especially exposed regions must be given better conditions for economic growth and development. The report concludes that the goal concerning living standards has been met, more or less, while the goal concerning economic growth and development has not. The coupling between production and standard of living is weak or non-existent, which means that the relatively high living standards have been maintained from transfers of money from other regions (Ds 1999:50). How much money that has been poured into regional development since the 1960's, when the *modern* policy started, is difficult to measure.

Neither does Sweden own a monopoly on boondoggles in Europe. Boondoggles may, in fact, exist in a much grander scale. Recently, the EU's program of regional aid has come under question (Economist, 2003). This program in which richer countries reach out to poorer ones ostensibly has been successful in spurring growth in Spain, Ireland, Portugal and Greece. The intent is to offer bigger markets for the rest of the EU. A recent study, however, suggests that these funds tend to distort market priorities in the very regions they are intended to help (Midelfart-Knarvik & Overman, 2002). That is, European Structural Funds expenditures tend to attract industries that are intensive in research and development. This effect has mostly acted counter to states' comparative advantage because R&D intensive industries have been encouraged by these aids to locate in countries and regions that have low endowments of skilled labor. In fairness, it might be noted that this paper has been criticized as

¹⁵ www.hud.gov

¹⁶ An unintentional use of this word, but commonly used in the U.S. a complex of houses.

¹⁷ Which places it in the range of GDP's of some countries, e.g., those of the Baltic States.

being solely manufacturing oriented and covering a limited time span (Lane, 2002). Nevertheless, it is somewhat disconcerting to see that early evidence on one of the keystones in the union's programs may be producing exactly the condition it was supposed to remedy.

Non-Profits¹⁸

Anecdotal evidence, such as illustrated by the golden fleece citations referred to previously, suggest that non-profit organizations may be prone to be boondoggle participants. It thus may be important to understand them as organizations and operations. Drucker (1990), who has had over 40 years experience with non-profits, has the following to say about them. Non-profits is a term that only tells us what these organizations are not. They are not businesses. It is also that they are nongovernmental. It is that they do something different from businesses or government. The non-profit organizations are human-change agents. Their product is a cured patient, a child that learns, ..., a changed human life altogether. Technically. the term describes an organization that does not distribute profit, either dividends or capital gains, to its owners (Smith et al., 2000); it has no owners in the sense of the for-profit sector, and any income that exceeds expenses stays with the organization rather than flowing through to an owner or owners. Typically, it is assumed that nonprofits depend on charitable contributions for support. A recent study, however, indicated that typically only 18 percent of income comes from charitable fees. A point is thus made, *non-profit* cannot be synonymous with *for-loss*.

Drucker goes on to say that when he started his work on non-profits, *management* was a very bad word. It meant business to managers, and the one thing that non-profits were not was a business. After all, they had no bottom line. Non-profits have since come to learn that they need management even more because they do not have a conventional *bottom line*. Drucker, of course, has continued to work with non-profits and has become an authority on their management. It would also appear that the concepts of projects, project management and programs are somewhat nebulous ones in the non-profit management literature. In an authoritative handbook on the subject (Connors, 2001a, b) *projects* are not covered in the management volume,¹⁹ but rather in the fund raising one. That is, projects seem to be commonly seen, not as an approach to management and organization, but rather as a source of grants.²⁰

¹⁸ We should indicate at the onset that we have nothing against non-profits in principle. In fact, both authors have supported non-profits both personally and professionally beyond the average of three hours per week that Drucker (1990, xii) has suggested is typical of Americans. Nevertheless, non-profits tend to be particularly susceptible to spawning, or even being, boondoggles. It thus is important to appreciate their nature.

¹⁹ Drucker treats projects under the topic of *pilot projects* (1990, 128). He writes, *In industry we learned long ago that we are going to be in trouble if we jump the pilot stage. We have to learn this is just as true for social projects and services.*

²⁰ It is perhaps interesting to note that with regard to projects and grants, New (who wrote the chapter on obtaining grants in this handbook) writes, *The single most common reason a project fails to ac-quire grant funding is that it is not really a project – (!!!)*

Broomsticks²¹

And what might be done to cut down on the number of run-away situations that tend to develop in project-based organizations? That is, what might managers do to cut down on the propensity to develop these *worthless* activities? Clearly, if there are different types of boondoggles, then different remedies might be expected for the different situations that arise. At the basis of any approach, however, is to recognize boondoggles for what they are, or more specifically, are not – the really big ones, the greater boondoggles, are not projects. In fact, the association of lesser boondoggles with projects is problematic. Thus, as a starting point, it is suggested that

• Some rigor be applied in using the word *project* itself to describe activities. For instance, it has been written about a certain class of projects that it is difficult to clearly specify goals and set milestones during the planning stage. Consequently, goals are more likely to be viewed as visions. Likewise, time constraints tend to be less rigid since it is difficult to predict the end point until it has been reached. Therefore, managing these projects from the perspective of the project management literature may result in gross miscalculations leading to costly delays or even the failure of the project.²²

We go on record to write that we have no problem with these authors' treatment of their phenomenon in either their description or application of non-PM theory. We do, however, rail at the use of the term *project* to describe these activities. If one were to say, *We note this strange duck. It has no wings, has four legs instead of two, has fur instead of feathers, and moos instead of quacks.* Would one expect that *duck* to produce eggs given traditional duck treatment? We think not. Instead, we would call these activities Lindblomian because they seem more clearly to fit the process of making decisions using limited comparisons described by Lindblom (1959)²³ as we have done in a previous paper (Anell & Wilson, 2002).

It seems unlikely that we will change vocabulary that has been affected by common usage because the word *project* itself is so enticing. Just its use implies action. Nevertheless, projects have some fairly clear attributes (c.f. Nicholas, 2001, 4 ff; Turner, 1999, 2 ff), and it would appear that first responsibility of a project manager or project researcher would be to recognize those attributes. Projects have clearly specified goals, a time period for achieving them, a team commissioned to achieve

²¹ We note here the difference that exists between the brooms commonly used in North America and the ones used in Scandinavia for instance. It is the North American type, the *witch mobiles*, to which we refer here.

²² We do not reference this statement out of deference for our colleagues, their sensitivities and our friendship with them. Nevertheless, such statements do exist in the literature.

²³ This paper is a classic and so will not be reviewed here. Instead, we note only that the process of making successive limited comparisons, although proposed for policy decisions, has been applied to discussing managerial decisions in general.

these goals with someone clearly in charge and, in commercial organizations, a budget for not only expenditures, but revenues as well. Projects carry with them review mechanisms. These reviews not only monitor technical progress, they monitor expenditures and revenues as well. Projects also are subject to controls. If milestones are not met, either effort or plans must be modified. Projects are a means for getting things done.

Boondoggles, on the other hand, have a title and a source of funding. If a budget exists, it estimates expenditures. Time is not necessarily a scarce resource in a boondoggle unless of course it represents a deadline for spending money. More generally, a time period may be estimated, but it can be extended with proper persuasion. Both technical and financial results are anticipated in only the most general, and frequently glorious, manner. Leadership and organization tend to be nebulous, especially when accountability is called into consideration. Meetings that are held discuss progress in only the most general terms. Because milestones do not exist, control is impossible. Whereas projects are a means for getting things done, the only thing sure about boondoggles is that they will cost money.

The danger in project organizations accepting a corrupted definition of a project is that they become involved in these non-projects. In fact, stopping boondoggles from starting is undoubtedly the best way to control them. Thus, in addition to assuring project work is on projects, we add:

• In general, greater time might be profitably spent in pre-project analysis. From the product development literature (c.f. Kotler, 2000, 331 ff) a general bias exists toward doing *up-fron*t work.

The old cliché is *measure twice, cut once*, and we are talking about steps that would occur even before planning starts. As many as five screening steps have been suggested *before* work starts in one systematic approach to development (Kotler, 2000, 335). These screens deal with probable customer acceptance, business fit, and potential profitability. The reason for taking such a conservative approach is that these are the *cheap* steps. That is, they generally typically cost less than 2% of project costs and certainly are done much more rapidly than the overall project. When one considers the overall cost and demand on resources, these steps appear worthwhile in avoiding boondoggles.

Further, one never gets away from the possibility of boondoggles starting, and so we add:

• Make greater use of project audits as a control mechanism. Financial audits are of course common in business, and the use of audits to keep business functions on track is not a new one (c.f. Kotler, 2000, 706-714). Turner (1999, 397-

423), in fact, suggests that project management audits be conducted to check that designs are correct, to ensure the quality of management processes, to learn from past successes, and to avoid past mistakes.

Functional audits are periodic, systematic reviews of a units objectives, strategies, and activities with a view toward recommending possibilities of improving performance (c.f. Kotler, 2000, 708). Usually they are conducted by either internal or external teams that collect and review information from both personal interviews and collateral materials. In other words, they rely not only on managers for data and opinion, but on the paper trail established in projects as well. They tend to be strategic in nature, i.e., at the *effectiveness* level of operations, which is exactly the level at which boondoggles need to be controlled. In this regard, the answer of team members to Rodney's first question in his projectivity diagnosic (1999, 404), *It is easy to see the relationship between our project and over business plans*, will provide interesting insight to the relevance of projects.

The importance of audits being periodic cannot be overstated. The danger in boondoggles is that they persist. If audits are conducted only after a project is completed or before they start, obviously they will not do much to control boondoggles. Neither will intermittent reviews if they are conducted too infrequently. The rule of thumb is that if strategies are rolled over on an annual basis, then strategic audits should be conducted at least annually as part of the analysis phase of the planning cycle.

And so we have some means for assuring that boondoggles are not so easy to start, and if started, it is possible to stop them. What happens, however, if we simply want to change the direction or emphasis of a project or program?

• **Bring run-away activities back on track through change management.** Chan-ge in this context means that unpleasant decisions must be made. Carnall (1995, 55-56) in referencing Argyris (1990) discusses *skilled incompetence*, i.e., the ability of people to sustain patterns of ineffectiveness, which is a norm in boondoggles. They tend to become defensive, inconsistent, feel vulnerable, act in manipulative ways, show mistrust, lack risk-taking or take very high risks, withhold information, and generally display power-centered behavior.

Research in the management of disinvestment processes in private firms has shown that that the change manager has a better chance of succeeding if he follows a certain recipe (Anell & Persson, 1985; Carnall, 1995). There must be an open confrontation of issues. The change manager has to use another style of decision-making than the one that works best in *normal times*, which tends to be a decentralized one. When making critical decisions that are likely to encounter resistance, decision-making should be centralized to the change that requires management. He/she has to overrule the protests coming from various parties, especially the unions if they are involved. It helps greatly if the change manager also grasps the power to formulate

what is wrong with the program or the organization and what should be done to remedy the situation. Otherwise, a number of alternative diagnoses and treatments will be suggested, which will take time to analyze and dismiss. The better tactic in these circumstances is to see to it that the members of the program or the organization understand that a crisis situation is at hand and that the survival of the program is threatened. Different actions, some symbolic and some concrete, might be undertaken to ensure that everybody understands the message. *Vacuum-cleaning* the program for cost savings might be one thing to do, another might be to get rid of the most visible symbols of opulence, such as a fancy headquarters.

The change manager has to be swift and unhesitating in implementing decisions; otherwise the opposition will have time to form its ranks and to call for friends and helpers. The mass media are willing helpers ready to point out how many will suffer from the eventual cutbacks. It is good policy to give straightforward information to all concerned quickly. It is often more painful to live in uncertainty than receiving an unpleasant message, as the latter permits the concerned parties to make alternative plans and not go on vacillating between hope and despair. If program workers have to leave, they should be treated with generosity, as they will bear witness to what happened. Finally, the change manager must live as he/she teaches. His or her collaborators will test how much consists of empty phrases and how much consists of real will to change things.

Reflections

In general, boondoggles suck. In operations they suck off funds that might be put to better use elsewhere. Depending upon their organizational residency, investors, contributors, or taxpayers are the worse off for the boondoggles existence. Boondoggles also suck in a conceptual sense because they give projects and the project literature a bad name by pretending to be projects. It is primarily for this reason this paper was written. We thus have attempted to characterize boondoggles as they exist and also the process by which they are formed.

It may seem that we are being especially harsh on non-profits by including them for special emphasis in this paper. Actually, if we were going to be harsh on any sector of the economy, it would be in the governmental sector and our examples of *greater boondoggles* tend to reflect this feeling. It takes *two to tango*, and if the government sector is not implementing boondoggles themselves, they seem to support them financially. Nevertheless, there are things to be learned from non-profits. First, there is the idea that projects exist to *obtain* funding. We have referred to the observation that in a well-known, non-profit handbook, projects were in fact covered in the fund raising volume and not the management one (Connors, 2001a, b). That approach rather seems like a cart before the horse type of thing, and is reflected in our analysis of Figure 2. Indeed, as New (2001) has noted for non-profits, funding organizations distinguish between projects and good ideas. She asserts, *The single most common reason a project fails to acquire grant funding is that it is not really a pro-*

ject. Thus, the more appropriate approach would be to outline a project in terms of its objectives and time constraints and *then* determine what an appropriate budget and funding source would be.

The second factor in non-profits that relates to discipline in management deals with objectives. From the non-profit literature comes this observation (Drucker, 1990, 107-112) – non-profit executives must first think through the desired results before the means of measuring performance and results can be determined. He continues, *The thinking through what results will be demanded can protect the non-profit from squandering resources because of the confusion between moral and economic causes. A moral cause is an absolute good. Preachers, for instance, rail against fornication. In an economic cause, one asks if the application best utilizes resources. Project and program objectives, whether in non-profits, government, or industry, must therefore be measurable and doable. The approach should be cost effective.*

On the other hand, Engwall (2002) has argued that stipulated project goals can never be more than qualified guesses about the future. Their primary function is to create project beginnings, not to predict project ends. One possibility for this observation is that this research had a Scandinavian base (Lindkvist & Söderlund, 2002). Our opinion, of course, is that there tends to be far too liberal extension in applying the term *project*. Goals are important in that definition. Weakish goals, or non-doable goals, may start a project or program down the road to being a boondoggle. Nevertheless, if there is one criterion for the existence of a boondoggle during portfolio review, it is goal transference. That is, the goal of the project or program shifts from progress to sustenance of funding. When this transference occurs, someone in either the funding or implementing organization must come forward to address this issue when it arises. This situation may be one in which a *champion* is needed. In fact, Royer (2003) suggests that exit champions may be required to stop run-away projects.

In reviewing this paper at a seminar, we were asked about type I and type II errors – the danger of terminating projects that should not be canceled as opposed to not canceling ones that should be terminated. Focus on goal transference makes portfolio reviews rather simple. One merely asks, is this project being run to achieve a quantifiable goal, or is it being run to keep people employed? If it is the latter, then if it is not a boondoggle, it is probably on the way.

So far, much of what we have discussed has dealt primarily with greater boondoggles. We saw them as being the major danger in project management. The very way in which we labeled these activities, *greater* and *lesser* probably connotes this feeling. Coming from industry ourselves, we tended to view lesser boondoggles sympathetically – unfortunate, but understandable; the literature on *champions* is quite prevalent. One of our colleagues, however, made the observation that a number of lesser boondoggles together may be equally dangerous as one big one. His point was that in multi-project organizations, they have the possibility of destroying credibility, if not viability, of a portfolio.

There are, of course, simplifications in this paper. One is the treatment given for *greater* and *lesser* boondoggles in Figure 1. Although matrices of various types have been used in definitions of projects (c.f. Matheson & Matheson, 1998; Turner, 1999; Wheelwright & Clark, 1992), they tend to be static descriptions and thus simplistic. This simplicity is noted here. A time dimension is implicitly included in our analysis because projects may need time to evolve into boondoggles. Obviously, this dimension is missing in Figure 1 although the Senge analysis of Figure 2 helps. We have also been asked if it were not possible that a path may not exist where an activity starts as a muddle, becomes a project, and then turns into a boondoggle. That is possible. In fact, the cases referred to by Royer (2003) may indeed have proceeded by that process. We have not noted that complexity in Figure 1.

The other simplification involves management of the situation. That is, what to do when these things arise? Our solution would be not to start them in the first place. Once started, they are difficult to stop. Royer (2003) noted the need for a champion – one who could call attention to the situation without fear of repercussions. It would seem unlikely that this person could come from the project itself – whistle blowers quickly become pariahs. It would seem more likely that the person empowered to stop an activity would be at the portfolio management level in a multi-project organization. Managers must manage and those persons must step forward in their control roles. We have briefly noted the need for change management procedures in such instances.

Finally, we have been asked if there is never any good that comes from a boondoggle. That, of course, is a very good question. It relates not only for whose benefit projects are being conducted, and within what time period the goals of the project are being assessed. We would state unequivocally that for the organization and within the planning period, boondoggles do no good. For the individual, however, they may produce useful results. Ekstedt et al. (1999) suggest that much of the learning from projects occur for the individual and naturally an individual can learn from a boondoggle. Further, over a longer time horizon, a project that once was a boondoggle might make a comeback and produce useful results. We do not preclude that possibility. We note recently that fish have become the animal of choice in some laboratories. Part of that choice may have come from Proxmire's tequila fish project. That development, however, has taken nearly 30 years from work inception. Thus, it would be our advice for managers who are interested in doing things right and also doing the right things, to stay away from boondoggles. To reiterate, they suck.

Conclusions

In this paper we have attempted to give an operational definition of boondoggles and a suggestion of how they tend to come in to existence. Two types were identified, and it has been suggested that their elimination could be associated with adhering more closely with fundamental project practice. Non-profit organizations may be particularly associated with boondoggles – in part because they have a tendency to not have an economic *bottom line* orientation, and unless one has an interest in running a *world class* boondoggle, he/she should learn to identify and avoid these operations. Industrial organizations, particularly multi-project ones, are not immune to the existence of boondoggles in their portfolio. Although these boondoggles may be of the *lesser type*, existence in the portfolio can be equally dangerous to organizational performance.

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3 CRT 2004 and Beyond - Regional Relevance and International Significance

Peter Billing

Introduction

From the outset, the main task of CRTs has been to establish and carry out research activities focused primarily on tourism and regional development in peripheral areas.²⁴ As presented in detail in other parts of this book, CRT early on was granted funding from the Danish Social Science Research Council (SSF) for two major research programmes. The most extensive programme aimed at establishing tourism research in Denmark, theoretically, methodologically as well as empirically, and was carried out in two phases (1995-1999 and 2000-2002) in close collaboration between CRT, Roskilde University and Copenhagen Business School. The second programme, entitled Bornholm's Technological Development (1995-96), focused on the role of information and communication technologies (ICT) for regional development in peripheral areas.

Although research activities had a clear priority, CRT was also engaged in projects that had a more applied research and development oriented character. Among these can be mentioned projects focusing on the preconditions for higher education on Bornholm, on strategies for competence development in the tourism sector on Bornholm, and on the possibilities for development of ICT on Bornholm. However, the applied research and development oriented projects were never part of a comprehensive and systematic strategy emphasising CRTs role in regional development. With the changes taking place since the re-construction and re-direction of CRT beginning 2002, there has been a concerted effort to develop a foundation for the centre's activities that is based on the conviction that an institution of CRTs character not only can make a difference, but that it also stands to benefit greatly from interactively co-operating with local and regional actors in projects focusing on different aspects of regional development.

As this chapter tries to demonstrate, the possible benefits of actively combining research and development activities are of mutual character. On the one hand, the scientific-based knowledge generated at CRT should at best contribute significantly to strengthen the decisions, policies and strategies developed by regional authorities and businesses for Bornholm's future development. On the other hand, the inter-

²⁴ This chapter is based on a refereed full paper presented at the International Society for Tourism and Traveller Educators (ISTTE) annual conference in Hong Kong September 2004 entitled *Bridging the Gap: Towards a Inter-Active Knowledge Based Development Model for Tourism SMEs* by Peter Billing, CRT & Rachel Chen, University of Tennessee.

active collaboration with local and regional actors should contribute substantially to CRTs development, not only in terms of local and regional support, networks and external funding, but also in terms of the centre's development as a research-based institution. Consequently, the applied research and development oriented projects have to be consciously constructed and carried out in such ways that the possible benefits for theoretical, conceptual and methodological development are secured.

By trying to develop a committed and mission-based foundation for collaborative research and development, CRT is aiming at establishing itself as a knowledge centre and milieu, and to be working as a knowledge broker. In doing so, CRT is part of a general process of development that during recent years has seriously challenged the traditional ways of looking at the relationship between research/academia and community/society. This chapter tries to place CRT within this new perspective and context, both in a more conceptual and general way, but also concretely by highlighting one of the ongoing tourism development projects as an illustration of the implications and possibilities of embarking on a new direction for a research-based institution such as CRT.

From Knowledge Production to Knowledge Creation

Although universities have existed for many centuries, research has been on the academic agenda for hardly more than a century. Originally, the main task of universities was to provide academic education. In general, the development of academic education and research was of little direct relevance to the surrounding society. Particularly in Europe, universities upheld a rather autonomous status, and nurtured the belief in and the strive for pure and objective scientific knowledge. According to the academic gospel, the process of scientific research followed its own path and rhythm, and it was not a major concern for the researcher whether the knowledge produced was of any direct use to the surrounding society.

A slightly different situation occurred in the USA, where the universities being established developed a more pragmatic relation between academia and the surrounding society. The structure of State universities, in most cases depending on land grants, enthused the development of extension and outreach programmes and departments, specially designed to assist and support dominating regional economic and business sectors, most commonly in agriculture (Rothblatt, 1997). In spite of basic differences, the two approaches - the European ideal of pure research and the American academic pragmatism – display similar traits in its perspective on knowledge production and dissemination. During the last decade this perspective has been thoroughly challenged, both from within academia itself, as well as by the profound economic changes taking place in society.

During the age of the industrial welfare societies, the relationship between university based education and research, and the surrounding society developed in two directions. The first model is referred to as the linear model, and denotes the traditional

type of research where the goal is development of theoretical models. The theoretical knowledge is separated from the concrete application, and is transferred from the research community to the practitioners as theoretically codified knowledge. It is based within established academic disciplines and funded through public grants (Brulin, 1999: p. 97).

The second model, developing primarily since the 1970s, is the consultancy-based model. Here university research is largely organized to solve problems and supply useful products and services for demanded by actors outside the university. Most oftenly these actors are large businesses and public authorities, and the funding usually comes from non-academic research foundations. Just as in the linear model, it is characterized by vertical relations and governance, and established academic methods are preferred.

The obvious problem of the linear model is that it suffers from the shortcomings of the belief in high and pure science so characteristic for the era of rational modernity. By rejecting a close relationship to the world of practice, the dynamic potential of the application of research is under-utilized. Conversely, the consultancy-based model runs the obvious danger of turning universities and research institutions into branches of the big corporations' and public authorities' R&D units (Brulin, 1998: p 105).

During the last decade, both models have been seriously challenged (Shani, David & Wilson, 2004). Departing from the post-modern critique of the legitimacy of modern science and the wide-spread belief in true and pure knowledge, more than a few researchers have posed the provoking question: *To what degree has academic research access to a more real reality or true truth than ordinary people?* (Brulin, 1998: p 94). Moreover, in recent times numerous researchers within the social sciences have pointed to the need for a distinctive approach to the relationship between research and the surrounding society that better corresponds to the needs of the post-industrial world (Bourdieu, 1996. Lyotard, 1993).

For sure, today the basis for economic growth cannot, as during the industrial age, rely upon large-scale, national plans or programmes. Like the showcases from the San Francisco Bay area, the Research Triangle Park in North Carolina, Sofia Antipolis in France, or the Öresund Science Region in Denmark/Sweden teach us, successful development of internationally competitive clusters require close and creative relationships between research, business and public authorities to secure the development of new and innovative products and services (Gibbons, 1994. Eskelinen, 1998).

Instead of large-scale solutions and national programmes, the order of the postindustrial age calls more informal agreements of growth, where businesses and entrepreneurs are encouraged to invest and grow based on the actors' own reality and the local and regional context. *Thus in the future economic development and growth will have to build on a variety of individual 'agreements' and mutual trust in people's own sphere of life* (Brulin, 1998: p 101). One of the great paradoxes of the post-industrial world is the simultaneous importance of, on the one hand, a globalized economy, and on the other hand, close relations within the local and surrounding environment.

In a globalized economy, largely depending on mutual trust at the local and regional level, peoples' and businesses' perception of their environment becomes pivotal. If people and businesses believe that the local and regional environment will be supportive, they might choose to develop economic activities, start businesses and grow; if they believe that the environment will be problematic, they will most likely choose to refrain from doing so. (Swedberg, Himmelstrand and Brulin, 1999).

In the unfolding local and regional *Economy of Trust*, universities and research institutions can make a real difference (Dahllöf & Selander, 1994). The universities and research environments are well-suited places for the establishing of informal *agreements* between individuals and businesses about local and regional growth and development. By playing the role of an *honest broker*, university and research, can strategically guide and advance the development of local and regional structures and networks of co-operation between different actors.

These local and regional 'coalitions of development' can serve as platforms for a continuous dialogue on socio-economic growth and development. As indicated, universities and research institutions have an innate role to play in creating horizontal interactive relations between different actors and in stimulating a critical discussion on growth and development (Toulmin & Gustavsen, 1996).

In this sense, knowledge is profoundly transformed from being something instrumentally *produced and disseminated* in a deliberate division of labour between academia, business and public authorities in a primarily national context, to something critically *created and transferred* in an close and inter-active dialogue and cooperation between academia and a variety of private and public practitioners in a largely local and regional context.

Knowledge Creation through Co-Operation

Compared to the two models described above, the co-operation model represents a radically different approach to the relationship between university and research, and the surrounding society, by emphasising the interactive and fundamentally equal relation between researchers and practitioners. Primarily, this approach focuses on processes of development through horizontal networks of collaboration, and the methods applied is chosen in a flexible way, just as the forms of governance and funding.

	The Linear Re-	Consultancy-hased	Knowledge Creation
	soaroh Modol	Bosoarah	Through Interactive
	Search would	Research	
			Cooperation
Objective	Theoretical models	Practical use and	Processes of devel-
		relevance	opment/action
Means	Knowledge trans-	Sell and buy, verti-	Dialogue, weblike
	fer/ vertical rela-	cal relations	networks
	tions		
Methods	Established sci	Chosen according to	Chosen according to
Methous			took
	ence		Lask
		Established meth-	
		ods preferred	
Governance	Disciplines/	Business and public	Researchers in dia-
	Collegial	authorities	logue with practitio-
			ners
Funding	Grants	Non-academic re-	Various forms
5		search foundations	
		together with husi-	
		nesses and public	
		authorities	

Table 1. Forms of Co-Operation between Research and Community

After Brulin (1998: p. 104).

By developing and utilizing the co-operation model, universities and research embark on a challenging, but most rewarding journey (WTO & CTC, 2003). In essence the model identifies the major task of the researcher(s) and the practitioner(s) as jointly defining the research problems and situation. The co-operation between different actors means that new understanding is developed through the reflected experiences generated in the dialogue and practices between the actors participating in the research process (Magnusson, 2004). Thus, the actual point of departure for co-operative based research is the basic understanding that successful research do not result in any precise truths, but rather in an interactive, continuous process of development between researchers and practitioners.

More importantly, the model gives proper acknowledgement to the need for including the knowledge of the practitioners in the process, i.e. the ones that really own the experiences in focus for the research (Brulin, 1998: p 98). The research and development work progresses by the different actors giving the generated experiences a common language. Consequently, language becomes a crucial factor in the research process. However, language cannot be used as a simple reflection of reality, instead the researchers and practitioners must learn to work with a variety of images and languages. In the words of Schön, this type of interactive knowledge creation can be described in terms of *reflective communities* (Schön, 1983).

Concretely, the reflective community denotes the understanding that truth does not depend on the degree of precision with which a theory corresponds with reality, or the degree of coherence with other truths, but rather on its capacity to lead the thinking practitioner and researcher to a successful and satisfactory solution to a problematic situation. Furthermore, the knowledge creation rests on a constituent relationship between ends and means. Actually, in this type of interactive process, neither the practioner nor the researcher differs between ends and means. Instead they define them interactively simultaneously, giving the problematic situation a framework of understanding. In this sense, the truth is not *discovered*, but *created* in the process through which it is verified (Uhlin, 1996: p. 336).

If successful, the interactive co-operative model, offers not only a much more creative and innovative relationship between research and society, but also a more democratic research process where the researcher is directly involved and accountable, not mere bystanders observing. When exposed to the acute pressure of action, the researcher is forced to develop and make use of his rhetorical ability – to clarify and convince - in a dialogue with the actual situation and the other participants. Certainly, there are similarities with the traditional action-based research, but the cooperative model is more comprehensive and far-reaching in that it includes many different types of actors and aims at generating development at a regional level.

Contrary to common critique, the autonomy and integrity of the interactive and cooperating researcher is just as important as for the traditional researcher. However, autonomy and integrity is not maintained by the researchers not engaging in an interactive relation with the practice/practitioners in the research process. A research community that do not allow itself to be influenced in a enriching interaction with the surrounding environment, runs the risk of being marginalized in relation to it, and in the end become of no real interest at all (Brulin, 1998: p. 105).

Tourism – Caught in the Knowledge Gap?

As a result of the paradigmatic shift in the understanding of knowledge creation, a body of literature and experiences has surfaced focusing on the production/creation of knowledge, transfer of knowledge, as well as management of knowledge. In particular, knowledge management (KM) appears to have made a significant impact on business operations as well as in academic research and education (Shariq, 1997. Bouncken & Pyo, 2003). Chase (1997) has appropriately described KM as *the encouragement of people to share knowledge and ideas to create value-adding products and services* (p. 83). More concretely, KM involves customer-focused knowledge, intellectual asset management, innovation and knowledge creation, transferring knowledge, and best practices.

In line with the interactive co-operation model, the KM approach demands that research is carried out to understand the processes and practices for generation, identification, assimilation and distribution of knowledge. Thereby it will be possible to achieve a knowledge advantage: This is a drastic change from the traditional practice that searches and develops knowledge after recognizing its need. Knowledge management provides knowledge in hand in advance, in anticipation of the knowledge use. When the knowledge is in hand, the speed of operations improves greatly by eliminating knowledge searching time. When the knowledge is based on internal team cooperation, copying the competitive advantage by the competitors can be very difficult (Bouncken & Pyo, 2003: p. 2).

The novel approach to the creation, transfer and management of knowledge has just recently reached the tourism industry and research (Bouncken & Pyo, 2003. Kahle 2003). In the case of the tourism industry, this is particularly evident in the sectors that have a strong service tradition. In the case of tourism research, the slow uptake can be explained by the specific character of the discipline as theoretically underdeveloped, largely market-driven, descriptive and case-study oriented (Tribe, 1999. Airey 2003).

As Ruhanen and Cooper (2003) emphasize, it is time for tourism research to move beyond the traditional short-term promotion and market research and embrace new directions: ...*there is a need for a new research agenda that will enable the tourism industry to fully participate in the future knowledge economy* (Ruhanen & Cooper, 2003: p. 11). At top of the agenda, Ruhanen and Cooper put knowledge management, which according to them must be considered an underpinning objective for future research agendas so that the increasing intellectual capital in tourism can be transformed into industry capabilities.

The very same message is conveyed by the World Tourism Organisation (WTO). According to WTO survival in tourism will depend on the strategic capability to adapt to the growing importance of knowledge. More specifically, WTO points to the need for focusing on (WTO, 2003: p. 6):

- 1. Creation of knowledge (strategic or applied research),
- 2. Capacity for knowledge application (optimizing its consequences and results),
- 3. Proper integration of knowledge in productive and organizational processes,
- 4. Dissemination of knowledge through education and training.

To secure that tourism can successfully become part of the knowledge economy, the tourism industry and tourism research have to work much more interactively and creatively together. As WTO critically remarks, this requires a whole new approach by both the tourism industry and tourism research: *The instrument (knowledge management), which is so closely linked to development that many deem it worthy of being considered an end in itself, cannot be reduced to the merely tactical matter of market intelligence. Equally unreasonable is the opposite view, which relegates it to an ivory tower for the amusement of 'impractical' academics and intellectuals (WTO, 2003: p. 6).*

The gap between the tourism industry and research is often referred to. In spite of obvious exaggerations and overtones in the critique, we need to recognize the fact that tourism research too often is of little relevance at best, and completely neglected at worst, when tourism development is on the agenda, whether the political or the business agenda. This is to a large extent explained by the traditional service character of the tourism industry, and the predominance of SMEs who usually are research averse. As Ruhanen and Cooper correctly remark, this situation is damaging for all: *As a result, tourism research is under-utilised and the sector is not as competitive as it could be* (Ruhanen & Cooper, 2003 p. 10).

CRTs Attempt To Bridge the Gap

The call for interactive co-operation between the tourism industry and research/university is gradually being picked up around the world. In line with its commitment and mission to engage in collaborative, inter-active research and development projects with local and regional actors, CRT has embarked on a challenging project together with tourism businesses on Bornholm. Based on impressions and inspiration from a visit to the Tourism Extension Services at University of Minnesota in 2002, the project was developed jointly between the CRT and several local tourism SMEs. The two year project started in the summer of 2003 with basic funding from the regional EU-fund, and in addition the participating businesses contribute with their working hours spent in the project. The main objectives of the project are to:

- Develop new tourism products or improve existing ones,
- Develop a model for how to gain new knowledge through the interplay of the day-to-day reality of the businesses and research,
- Develop the co-operation between CRT, Destination Bornholm and tourism businesses on Bornholm,
- Develop learning processes and resources that are based on research, and which increase the tourism entrepreneur's understanding of his/her preconditions and ways and means to development.

After an initial round involving close to 20 tourism enterprises, a core of project partners emerged consisting of:

- The Center for Regional and Tourism Research
- Destination Bornholm (the regional DMO)
- *Attractions*: Bornholm Art Museum, The Museum of Bornholm, The Medieval Centre, NaturBornholm
- Hotels: Hotel Balka Strand, Hotel Friheden, Hotel Fredensborg
- Tour operators: Bornholm Tours, Feriepartner Bornholm
- *Crafts*: Cassius Clay (pottery)
- Activity holidays: Rø and Rønne Golf Courses.
From the outset, the project has been aiming at developing an interactive knowledge-based development model (IKBDM) for tourism SMEs. In this model, every stage of the development process contains moments for joint knowledge creation and exchange, and with active inputs from all the different participants. In this way, the participants are, although to a varying degree, active in problem identification, method selection, analysis, as well as concrete product/service development. The interactive process is outlined in details in Figure 1.



Figure 1. An Interactive Knowledge Development Process

An important output in the project was the early and joint decision to establish five working groups with different focus, namely Golf, Arts & Culture, Dynamic Packaging, Gourmet, and Knowledge and Resources. Each group display different dynamics and approaches to the specific topic, but common for them all (except for the so far inactive Gourmet group) is the motivation of the participants and the willingness to co-operate and share knowledge even with former competitors. Particularly noteworthy is the joint decision to establish a specific working group on Knowledge and Resources, as a way to secure the long-term knowledge exchange. The project is now entering a critical phase where the actual initiatives for product and service development are to be launched.

Achieving Regional Relevance and International Significance

Acknowledging the theoretical and practical challenges posed by the knowledge economy for tourism development, CRT wants to use the IKBDM-project to develop and enhance the general understanding of the knowledge creation and transfer involved in tourism SMEs, and thereby enable them to become successful selfrenewing knowledge-based businesses. By working in inter-active networks built on mutual commitment, and sharing this type of collaborative processes and activities, CRT should also contribute concretely to regional development.

Besides achieving regional relevance, the IKBDM-project also provides CRT with an opportunity to strengthen its position within the international tourism research through the attempt to bridge the existing knowledge gaps. On the one hand, through the development and establishment of inter-active and equal relations between research and the tourism industry/surrounding community. On the other hand, the results from developing the IKBDM should contribute to alleviate the present state of theoretical underdevelopment and the market-driven pragmatism in tourism research. In achieving both, CRT will demonstrate its international significance.

By engaging in the opportunities provided by the novel approaches to the relationship between research/academia and community/society, and the enhanced understanding of knowledge creation, transfer and management, as illustrated by the IKBDM-project, research-based institutions can begin to make a real difference, both at a business and regional level. However, at the same time, research-based institutions have to seriously consider how they are going to translate and transfer the knowledge of the practitioners, arising from the interactive co-operation, into the theoretical and conceptual realm of research. That is: How is research itself going to adapt to the requirements of the knowledge-based processes of development? This is undoubtedly one of the strategic challenges CRT faces as it enters its second decade of existence.

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