

Sustainable Urban Tourism

Lecture 3 Managing Sustainable Urban
Tourism

Managing Tourism in Cities

Tourism offers art cities huge opportunities for social and economic growth. However, these smaller and often vulnerable cities should be using these potentials 'wisely'. This means, as we have seen in the previous lecture, that tourism development ought to be sustainable. This third lecture provides a number of useful suggestions for public and private policymakers that may help to enforce a coherent development strategy that aims to render or keep tourism in the destination sustainable.

Today, heritage cities and sites are both visited by millions of tourists. The continuous expansion of the tourism market in general and the more recent boom of cultural tourism in particular have raised the awareness that historical settlements may be subject to excessive tourism pressure. In fact, heritage cities are particularly sensitive to excess tourism demand. They are socially, economically and environmentally complex organisms. The conflicts that may arise between the normal functioning of the heritage city and its tourism may threaten both tourism development and the continuity of the settlement itself. The proper management of these conflicts becomes of the utmost importance, both to ensure that the art cities are to be conserved for humanity as well as to turn tourism into a true engine of social and economic development rather than an obstacle to it.

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Tourism Management and Marketing in Heritage Cities and Sites
Tourism in natural parks or heritage sites is relatively easy to manage. Nevertheless, most research regarding the management of tourism refers to parks and isolated heritage sites. ICOMOS, for example, has produced a very useful set of guidelines that allows site managers to deal with all the problems that the exposure of a heritage site may bring. For our purposes, it is sufficient to remember that the access to a heritage site may easily be controlled, not only through a system of queuing but also by setting the entrance fee at a level that tends to cut off excess demand. Tourism in heritage cities is much more difficult to manage. Cities are built to receive visitors and need to be accessible for many types of city users and asking an entrance fee for visiting a city is against most constitutions. Moreover, several heritage cities that have been experimenting with price discrimination for public facilities are being taken to the European Court of Justice by private citizens.

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On the other hand, the number of heritage cities where pressure on the local society and economy is becoming unbearable and where tourism management should therefore be an integral part of urban policies is rising rapidly. Bruges, Florence, Salzburg and Venice are examples of such destinations. Only recently, also in Amsterdam the negative effects that tourism may produce when developed excessively are being felt and may countermeasures be expected.

Although the UNESCO study led to more awareness for the range of problems raised by visitor flows and have also specified potential tactics to overcome or reduce them, it is still very difficult to find any municipality involved in the investigation taking political decisions regarding tourism issues and that may be used as a benchmark. The issue most frequently been confronted by the city councils' urban policy that in some way concerns visitor management relates to traffic and parking.

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In most cities, a policy to manage traffic congestion has been implemented in the form of a park and ride system the edge of town, often in combination with a new traffic plan. In the cities of Bruges, Oxford and Salzburg, the pressure from day-visitors has been eased by means of control of incoming excursionist buses, which are easy to spot and thus to divert. Similar schemes are being developed in the smaller Spanish art cities like Toledo, Granada e Segovia. However, more direct interventions to improve the visitors' experience and to ease the conflict among tourism and other urban activities are now sorely needed.

More than traffic control, it is management of the tourism function that should be the central focus in controlling the flows of visitors, in particular the excursionists, the real threat to a more balanced and profitable urban tourism system in all of the analyzed destinations. In theory, there are two procedures available: enlarging tourism supply in time and space; and acting on the demand by rationing the use of the city. The actions can be divided in two distinct families: (1) to regulate the flows with an increase in the costs of the visit or with some type of booking policy or with a restricting traffic policy; (2) to stimulate visitors to make use of alternative attractions.

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The measures intended to control tourism demand in the heritage cities studied are in most cases taken by public bodies that are not directly involved in tourism development, such as traffic departments and planning agencies. The measures are not part of the tourism policy of the city as such. Hence, the probability that these measures are coordinated with other, usually direct, interventions regarding tourism is low. The measures that are supposed to stimulate dispersion of tourism demand in time (initiatives to render the low season more attractive, for example) or in space (alternative routes) tend to be implemented by public and private bodies together. However, their promotional aspect is still dominant. Of course, the implementation of strategies and policies affecting visitors in a city of art is not independent from other issues and policies for the management of that urban area. Thus, a clear, comprehensive, action plan is necessary to meet goals for sustainable tourism development in delicate urban environments.

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The numerous components of the tourism product make it necessary to coordinate the decisions and the actions taken by all of the entities operating within the sector. In order to conduct a marketing campaign in the most efficient manner, the tourism offer should be the fruit of a comprehensive agreement between all of the operators, public and private, of the city. This is especially relevant for those places characterized by an historical core area and by an active urban life. Due to their physical structure and their social functions, these cities require a public body capable of more than passively controlling the private sector, of assuming a pro-active role.

For this reason, heritage cities ought to have a public body powerful enough to manage tourism in all its facets. As stated earlier, in order to do so, public administrators need to know how tourism is developing and how the changes can be managed. There are several other reasons why tourism should be an integral part of the political decision process in all of the art cities of this report. First, both at the city and attraction levels, tourism can be a strongly disturbing factor. Secondly, tourism in cities affects the entire urban community, and services that were originally provided for residents must be extended to satisfy the visitors' requirements. Last, but not least, competition has been intensified by an increasing number of new urban destinations.

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Having recognized the social and economic forces of tourism and its critical impacts on urban systems, it is surprising to note that, even in these highly-reputed international destinations, tourism is still treated as a self-maintainable activity and is thus left to itself. The real problem is that the cities' policy makers are unable to respond properly because they do not appreciate the "soft" sphere of tourism issues. They are generally effective on "hard" issues such as parking lots and congress centers.

However, they are not equipped to handle the management of the multiple variables associated with tourism in cities of art. On the other hand, the private sector, pursuing its proper interests, has insufficient vision to ensure that limits to tourism development are respected. A good example of the consequences of this is the continuous flow of promotional material produced in the heritage cities. Since the increase in the supply of hotel beds has by far exceeded the growth in demand, operators insist in promoting the cities, stimulating however, principally due to a limited supply of hotel beds, mainly excursionist demand.

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The lack of overall organizational capacity has a devastating effect on the development of tourism in these sensitive urban environments. The city of Venice has made some progress recently. It seems to be ready to implement a 'softer' and probably more efficient way of avoiding excess demand, both from the city's and from the visitor's point of view, introducing a series of incentives that guide tourism demand.

These incentives explicitly consider the fact that the destination is an asset with a limited capacity, the use of which should be rationalized also for the sake of the visitor experience. Of course, this should be communicated in advance to the market, either directly to the potential visitors or indirectly to the travel agents and tour operators.

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This type of rationalization policies asks for an advanced booking system. Through the reservation of service packages, which could include for example meal vouchers, tickets for exhibitions and museums and discounts in souvenir shops, and visitors may be stimulated to visit Venice in specific periods. The booking of such a package could be mandatory (a sort of entrance ticket) or optional. In the last case the potential user must be convinced of the advantages the package offers him, and hence accept advanced booking.

The package can be stored on a "City Currency Card", serving in all effects as a credit card, valid for the length of the visit, and with which goods and services in the city can be paid. The card can be issued in different forms to different types of visitors, in numbers that are fixed in advance. The personal credit card furthermore allows for the price discrimination according to the hour or the day that the card is used, i.e. it is the visitor's behavior that triggers the differentiation of the price not its characteristics. Both the city service package and the city currency cards can be seen as surrogates for the core service the tourist uses, the hotel bed. It thus helps to convince excursionists to plan their visit instead of improvising.

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Their reservation could be organized in the context of any telecommunication network which permits long distance sales in real time, an immediate update of the availability, and the emitting of relevant receipts, such as the systems developed by various consortia of airlines or ski resorts in the Dolomites. In this context, it is obvious that a number of internet applications (e-commerce, social networks, multi-medial tools) have some promising characteristics that offer very interesting possibilities when it comes to the formation of the core of such a reservation system.

In principle, the Internet reaches the potential visitors at home before their trip, it is interactive and therefore allows for an eventual booking, it operates in real time, it is cheap, and, last but not least, it is selective. Venice is studying the possibility of requiring tourists to book the visits to the city in advance, obviously through the Internet, and attach concrete advantages to the reservation. How does such a system exactly work? Visitors are invited to book their visit to Venice, and receive in exchange a package of public and private services which offers them a series of advantages and possibilities which are not accessible to visitors that do not book (but still have access to the city).

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The number of packages issued will be equal to the most restrictive of the different carrying capacities. Venice, for example, is not only studying ways to improve the spread of visitors over time, but it has been working on improvements of the territorial distribution of the visitors once they are in the city. At present just a few areas of Venice are involved in tourism development. Tourism is concentrated in the area between Rialto Bridge and St. Mark's Square.

Alternative routes within the city may be introduced to rationalize the use of the city and its numerous unknown cultural treasures. Alternative routes are attractions linked through a route and sustained by complementary tourism facilities. Since tourism demand concentrates around the 'musts', an alternative tourism route might persuade the visitors to visit attractions that have been less promoted and thus are less known to the public (which certainly does not mean that they are not worth a visit; on the contrary), and thus relieve the already congested attractions and areas. The alternative route may also involve the surroundings of the city.

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It has already been said that mature destinations do not only suffer from excess demand, but also from an unfavorable mixture of overnight and same day visitors. The route may, therefore, also constitute a strong incentive for the visitor to stay a bit longer in the city. Modern technologies, such as smart phones and handheld computers with GPS, allow the destination's planners to transmit easily updatable itineraries constantly to those willing to engage in them.

The marketing strategy ought to be selective, that is select 'quality' visitors rather than any visitor. Not all cities are willing to spread tourism over the municipal territory. In some cases the concentration of tourism is to be preferred, in order to keep certain areas genuine. Furthermore, there is the danger that by introducing the alternative tourism route the quality of the overall tourism product improves too much. If total demand rises consequently congestion problems after spreading might well remain the same as before. Especially if one realizes that the 'musts' will be visited anyway.

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The tourism development strategy should address these issues in particular. Last but not least, some words ought to be spend on tourism taxes. Tourism tax on overnight stays ought to be condemned. This system favors excursionism and penalizes residential tourists, the most interesting category of visitors a heritage city receives.

Much better is it to implement a tax system with Pigouvian characteristics that makes excursionists fully contribute to the maintenance of the heritage the city offers them. This tax of scope should first of all be incorporated in the transport services from and to the historical centre of Venice. The last module of this unit will focus on a specific aspect of tourism management, that is the use of innovative marketing strategies.