

Sustainable Urban Tourism

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Traditionally, tourist marketing has been identified with the mere promotion of destinations. The tourism policy as performed by many cities follows this simplistic approach (see for example Law 1993). Only more recently have some cities begun to realize that such a narrow interpretation of tourism policy does them more harm than good. Although every city will have its own particular problems requiring specific solutions, any policy for urban tourism should at least consider three separate questions: how to market urban tourism, how to finance the development of urban tourism, and how to regulate the flow of visitors?

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As will become clear later, the answers to these questions are not only interrelated, but also follow directly from the discussion of urban development and the launching of urban tourism in the previous sections. To repeat that the policy for urban tourism necessarily forms an integral part of urban policy as a whole seems almost superfluous. Accordingly, the principal objectives of a city's urban policy, namely, to promote and safeguard the interrelated interests of the families and firms who live or work there, are reflected by the objectives of the urban-tourism policy as well. In other words, the development of urban tourism has to contribute to the well-being of both the local population and those directly interested: the local tourist industry and the tourists. This underlines once more the importance of embedding the urban tourism policy within the broader body of urban policies, taking into account the general criteria of efficiency, market orientation, and continuity.

The purpose of urban tourist policy is more specifically to intervene in the life cycle of tourism in such a way as to reduce social costs to the minimum, and boost the benefits as high as possible. In practice, this implies above all the promotion of residential tourism, and the control of indirect and false excursionism, all that within the limits of the tourist-carrying capacity. In that context, the marketing of tourism can be looked upon as a 'soft' instrument to guide demand and select segments, while the regulation of the number of visitors is a 'hard' solution. According to Van der Borg (1991), strategic city marketing has to become a central element in urban policy. The marketing of tourism by a city aspiring to become an urban tourist attraction is an element of the overall strategy of city marketing addressing the potential visitor.

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The basis of the marketing policy should be an analysis of the consumer market (market research) and of the strengths and weaknesses of the city's own supply and that of competitors, if any. These exercises lead to a selection of the market segments that seem successfully approachable, given the strengths and weaknesses of the products, the city's own included, on the relevant markets. The basic market research, described among others by Churchill (1987), also indicates how to fill in the marketing mix. The marketing mix for tourism generally consists of four instruments: the product, the price, the distribution, and the promotion.

As far as the product policy of an urban attraction is concerned, emphasis must be laid on the development of attractions, facilities, and infrastructure that serve the residential tourist segments. Hence, the local government must stimulate investments that help to the predominant attraction of residential tourism. Indeed, guaranteeing that the total supply of tourist accommodation allows the city to accommodate a number of visitors almost equal to its tourist-carrying capacity. As the occupancy rate tends to be below 70 per cent, a margin remains for the absorption of additional tourists and excursionists. This margin will shrink as interest in the city in question grows. Not only the capacity, but also diversity in the supply of hotel and other beds counts: the absence of modestly priced accommodation invites visitors to become false excursionism.

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The package of attractions and facilities should be such as to induce any visitors to stay the night. In other words, there should be too many attractions for visitors to "do the musts" in a single day. Furthermore, the locality should also offer nocturnal attractions and facilities (such as night restaurants, a casino, bars, and night clubs). In many cities, experiments with a central price policy for goods and services used by tourists have produced satisfactory results. Actually, it is common practice to offer special tariffs for public transport or to sell a package of attractions and facilities at a special price (not only the high interest spots that are already becoming congested) to tourists.

This may be done either directly or indirectly in the form of a 'tourist card', as has been proposed for Venice (Costa and Van der Borg, 1993) and now seems to become operative for the Holy Year 2000. The price discrimination between inhabitants and tourists can be extended to a distinction between tourists and excursionists. All such initiatives require co-operation and co-ordination between the public and private sectors, and between the local and external tourist firms and institutions. The distribution policy refers to the representation of the city is represented by the network of tourist boards, tour operators and travel agencies for the purpose of reaching the market. Until now, most cities have been very reluctant to work with professional tourist intermediaries. The consequence is that the tour operators and travel agencies that offer city packages to their clients, loath to take unnecessary risks, tend to stick to the traditional urban destinations, and continue selling congested destinations.

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A first step in the right direction may be to work on a better co-operation between on one hand the local tourist bureau and on the other the tour operators and travel agencies. This helps to reinforce the city's grip on the tourist market as well as to make use of the vast know-how of these institutions (a similar approach has been suggested for Rotterdam by Van den Berg et al. 1990). A second, even more important, step might be to make the local tourist bureau function as a tour operator. It could offer a variety of packages the city wants to be sold, and makes for direct control of the visitor flow. Furthermore it would permit the city to create incentives for tourists and excursionists to book their visit in advance. That would at the same time internalize part of the benefits that would otherwise leak away to the generating countries or localities.

Again, co-operation and co-ordination are crucial for the ultimate success of these measures. Interesting are also the possibilities that are offered by the introduction of new technologies. The introduction of telecommunication and information technologies -such as reservation systems, information totems and the Internet in the travel industry invites destinations to review its distribution channels completely. In many cases, this leads to new strategic alliances from which destinations, firms and tourists may benefit. Last but not least, the promotion policy of the urban attraction has to change into an active instrument to attract in particular the qualified segments of demand. Positive promotion should begin by addressing residential tourism. The promotion policy might try to influence the share of foreign residential tourists, or even the share of American and Japanese residential tourists, in the total number of residential tourists. Negative promotion is also possible. Pointed publicity campaigns could be carried on to discourage excursionists, especially indirect and false excursionists, by convincing them that the only way to "taste" the city is to stay the night. In Venice, for example, indirect excursionists could be made aware of the fact that they have been taken in by some fancy tour operator. Only if the marketing policy of the tourist city is effective, more drastic measures to manage visitor flows can be avoided.

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The sectorial and territorial anomalies in the distribution of the benefits and costs related to tourism are at the base of the excessive utilization of urban and natural resources. In that context, an essential question is who is responsible for the financing of the efforts needed to develop local tourism. In most cases, tourist development is largely financed by the local society, or, to be more precise, by the local public authority. It is the Municipality that makes the major investments, especially in the initial phase, in such collective goods as infrastructure and additional facilities, as well as being responsible for the maintenance of the public natural, cultural, and man-made resources. The national fiscal systems of most European countries do not always provide for municipal taxes that could compensate such specific costs. The local private sector invests in its own structures, and accounts for the associated operational costs. The tourist firms located outside the tourist city meet only the operational costs generated by excursionism.

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The inhabitants and the firms that just have to put up with tourism, suffer from the externalities, such as congestion and pollution. A change in that situation seems overdue. A different way of financing local tourism might help to redress the rather skew distribution of costs (and benefits, if any). Locally, the forming of public-private partnerships (or PPPs) that take over responsibility for the management of the public tourist resources and infrastructure, seems the most obvious solution. Experiences in many different parts of urban society has shown that the PPP not only contributes to the solution of current fiscal and financial imbalances, but may also help to overcome the lack of co-ordination between the public and the private sector. This is for example the case in large urban revitalization projects such as the redevelopment of Eastern part of London (2012 Olympics), the restoration of the old center of Matera (for the European Cultural Capital 2018 Event) and the organization of Shanghai's Expo 2010. In all these projects much attention has been paid to facilities that enhanced the attractiveness of these cities for visitors.

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To restore the financial balance between the centre and the rest of the urban tourism system, revision of the current system of tourist taxes might be considered. Usually, tourist taxes are levied on overnight stays, the revenues accruing to the host municipality. However, if a consistent flow of excursionists can be proved to exist between a locality and the tourist city, that locality should be obliged to use part of its revenues from tourist taxes to cover the costs incurred centrally. Alternatively or additionally, countries that collect taxes centrally for later redistribution among the Municipalities, reasonably should include an indicator of tourist pressure among the keys by which the contributions are established. A system of price discrimination between inhabitants and tourists, applicable especially to public facilities not exclusively destined to the tourist market such as public transport, parking lots, museums, theatres,, would allow for partial compensation of the costs borne by the residential population. Local or are some items that come to mind.

Hinch (1996) raises the issue who actually should set and implement these instruments. Since interests are assumed to be conflicting, it can be expected that different parties set policy instruments differently. Hinch does not formulate a clear-cut answer to the question, but proposes several alternative models of management that lead to specific solutions. What should always be kept in mind is that in the absence of perfect working markets for public goods and space, only a planner is able to avoid the free-riding tourism industry to exhaust the resources it needs for the production of its profits. Hard measures to control the flow of incoming visitors come into view, as was explained in lecture 3, in cases of extreme pressure from tourism.

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Research done by the University of Venice (see lecture 1 and 2) has revealed that in numerous art cities some limits to the circulation of traffic in the centre have already been implemented. In other European heritage cities similar measures are seriously studied. Venice has taken the lead with its studies to control the flows by means of a booking and information system.

At the same time, it enables the city to monitor and correct the logistics and economic behavior of its visitors. Although both the Law and the Constitution of all countries recognize that cultural heritage needs to be protected and that the quality of life should be preserved, the measures to regulate the flows of visitors to an urban attraction might easily be considered to be anti-constitutional. Since they do not explicitly guarantee the rights of equality, freedom of circulation and sojourn, and economic freedom visitor management policies have been contrasted. In fact, all forms of control that do not materially impede access to the centre are legally acceptable. To these fundamental rights, that of personal privacy should be added, a right that often impedes the introduction of sophisticated monitoring systems.