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A MODEL FOR THE SUSTAINABLE COMPETITIVENESS OF TOURISM DESTINATIONS

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"There are more things in heaven and earth, Horatio, than are dreamt of in your philosophy."
(Shakespeare, *Hamlet*)

ABSTRACT: The sustainable competitiveness of tourism destinations is a subject that has stimulated growing interest amongst scholars and public operators. The purpose of this work is to contribute to the preparation of a simple territorial planning model that can be applied to small and large destinations. The essay is divided up into three parts. In the first part, I seek to establish, in view of the latest literature, exactly what the sustainable competitiveness of tourism destinations really is. In the second part, I present a possible measurement system. In the third and final part, I show how this system can be included in a territorial planning model. **Keywords**: competitiveness, sustainability, tourism destinations.

RESUMEN: La competitividad sostenible de los destinos turísticos es un tema que viene estimulando un creciente interés entre estudiosos y operadores públicos. El objetivo de este trabajo es de contribuir para la preparación de un modelo simple de ordenanza del territorio que pueda ser aplicado a pequeños y grandes destinos turísticos. El artículo está dividido en tres partes. En la primera parte, busco establecer, teniendo en cuenta la literatura más reciente, exactamente en lo que consiste la competitividad sostenible de los destinos turísticos. En la segunda parte, propongo un sistema de medición. En la tercera y última parte demuestro como ese sistema se puede incluir en un modelo de planteamiento territorial. **Palabras-clave**: competitividad, sustentabilidad, destinos turísticos.

RESUMO: A competitividade sustentável dos destinos turísticos é um assunto que tem estimulado um interesse crescente entre estudiosos e operadores públicos. O objetivo deste trabalho é o de contribuir para a preparação de um modelo simples de ordenamento do território que possa ser aplicado a pequenos e grandes destinos turísticos. O artigo está dividido em três partes. Na primeira parte, procura-se estabelecer, com base na literatura mais recente, em que consiste exatamente a competitividade sustentável dos destinos turísticos. Na segunda parte, é proposto um sistema de medição. Na terceira e última parte demonstra-se de que modo esse sistema pode ser incluído num modelo de planeamento territorial. **Palavras-chave**: competitividade, sustentabilidade, destinos turísticos.

INTRODUCTION

The sustainable competitiveness of territories is one of the subjects that has been most extensively explored in recent years. What is the competitiveness of a territory? How can it be measured? When is eco-

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nomic development truly sustainable? What are the most effective policies by which to make an economic system competitive and sustainable?

Scholars of various subjects have debated these matters at length, dividing and converging towards provisional shared conclusions. Measurements systems have been prepared that have enabled authoritative, credited international organizations to draw up classifications of the competitiveness of countries and production systems. An attempt has been made to assess the sustainability of local economic development, using intuitive grids of statistical indexes or more sophisticated techniques to measure a location's carrying capacity.

The matter has also become a permanent feature on the political agenda of a great many institutional organizations. From the smallest town in Tuscany to the European Commission in Brussels, territorial competitiveness and sustainability is up for discussion. Local information systems are prepared along with action plans.

Europe has recently set itself the objective of remaining the world's most important tourism destination in terms of number of arrivals. Europe sees itself, and it cannot be otherwise, as a collection of destinations: London, Paris, Rome... and the same effectively also applies for a great many regions or geographic areas: they are networks of destinations.

All this results in the need to construct an integrated or integrable information system in support of the territorial planning decisions that the policy-makers are called to make. The information system should allow for the comparison of the performance of different tourism systems in order to activate virtuous emulation processes.

The purpose of this work is to contribute to the preparation of a simple territorial planning model that can be applied to small and large destinations.

The essay is divided up into three parts. In the first part, I seek to establish, in view of the latest literature, exactly what the sustainable competitiveness of tourism destinations really is. In the second part, I present a possible measurement system. In the third and final part. I show how this system can be included in a territorial planning model.

THE SUSTAINABLE COMPETITIVENESS OF TOURISM DESTINATIONS

In times of crisis, there is the risk of thinking that sustainability is a luxury that particularly smaller destinations cannot afford, if they want to remain or become competitive. In general, in order to be competitive, costs and prices need to be lowered, whilst to be sustainable, expensive quality processes are required. The two objectives can perhaps be conciliated in times of prosperity but certainly not during a crisis.

If we wish to attempt to eliminate this doubt, we first need to free up the terrain from slippery terminological misunderstandings and clarify the meaning of the words we are using. The objective, as repeatedly announced by European, national and regional authorities, is the competitiveness and sustainability of tourism destinations.

We are dealing with three keywords - destination, competitiveness and sustainability - and we are looking to see if and how a territory can become both more competitive and more sustainable at the same time.

A tourism destination is a large or small physical space with attractions. Tourists temporarily abandon their usual place of residence and embark on a trip because they are attracted by a destination: natural, cultural, and recreational or of another type. The destination is the real product that the tourist chooses and judges (Vanhove, 2005; Franch, 2010).

Destinations can differ and be analyzed in different ways. Perhaps the most important distinction to be drawn is that based on the nature of the product. There are corporate destinations and community destinations. The first are similar to businesses. The theme parks or ski resorts are, for example, corporate destinations: they offer just one (or mainly one) service, target managers appointed by the owners and pursue economic growth objectives that may potentially be shared by all those working there.

Community destinations, on the other hand, are territorial communities and have far more complex characteristics.

- They have variable boundaries. St. Moritz is a tourism destination, but so is the Canton of Graubünden, Switzerland and Europe. The borders are marked out by tourists. St. Moritz is mainly a destination for the Germans, French, English and Italians. It is not for the Chinese. No one would travel that far merely to visit St. Moritz and maybe not even to see the Canton of Graubünden and Switzerland. From the Far East, they come to visit Europe. Scholars speak of a "sense-making phenomenon from a demand perspective".
- They offer different goods and services. When a tourist spends a week in St. Moritz, he considers, as a whole, if the climate was pleasant, if there was plenty of snow, if lift services were efficient, roads looked after, hotels comfortable and the locals welcoming... It is a blend of goods and services that are partly private and partly public and shared.
- They are exposed to asymmetrical information. The consumer seeks to have an authentically human experience. He demands and evaluates the goods and services offered in that place as a whole. Producers are instead busy packaging specific services: transport, intermediation or accommodation. No one knows, wants or indeed can package the destination as "merchandise".

The destination is therefore the tourism product that consumers demand and evaluate: whether a theme park or ski resort. In corporate destinations, a business strategy can more easily be identified, aimed at promoting and marketing the only (or main) product sold. In community destinations, we instead have a major coordination problem: who can transform a heterogeneous set of goods and services into a homogeneous product to be offered to tourists, and how can they do it?

Community destinations cannot use the visible hand of the private entrepreneur nor the invisible hand of the market. They cannot use the first because, by definition, they are communities in which a great many public and private entrepreneurs operate. There is no mayor or commissioner or hotelier who can force his vision on the rest. But nor can community destinations use the invisible hand of the market, which orders and arranges everything because, as has been extensively explained by the economists, if the market fails, it is unable to allocate resources efficiently when there are public goods, common resources or asymmetries in information. So what then? Then we need to use the gentle strength of social dialogue. We need to convene, listen to and involve all stakeholders of a destination so that their points can give rise to operative solutions aimed at making the services offered more integrated.

Competitiveness is our second keyword. In 1998, Michael Porter published an influential volume entitled *The Competitive Advantage of Nations*. A little while later, Paul Krugman, future Nobel prizewinner for economics, spoke of a "dangerous obsession" for the competitiveness of countries and territories. Since then, the theoretical debate has run incessantly and has also been extended to the tourism economy (Porter, 1988; Krugman, 1994, 1996; Vanhove, 2005).

In a recent study, we read: "We can define (systemic) competitiveness of a territory as the ability of a locality or region to generate high and rising incomes and improve livelihoods of the people living there" (Dijkstra, *et al.,* 2011: 3).

To take this approach, the competitiveness of a tourism destination should be defined as the capacity to generate high or growing well-being for its residents. And this well-being can be measured in terms of income, employment, education and, perhaps, also happiness. It would be a partial, unsatisfactory definition that would take no consideration of the level of tourist satisfaction. The well-being of the residents may be obtained by "exploiting" the tourists or the environment and would therefore only be temporary.

Ritchie and Crouch, perhaps the most authoritative scholars of tourism economy, have proposed a more extensive vision of territorial competitiveness. The competitiveness of a destination depends on two factors: the "assets" (resource endowments) and the capacity

to use them (resource deployment) and, therefore, to transform them into an offer of tourism goods and services (Ritchie & Crouch, 2003).

The tourism "assets" are the sum of various resources: natural, cultural, intellectual and infrastructural. The assets of a ski resort, for example, include the mountains, climate, art, history, tradition, the courtesy of the people, professionalism of operators and a great deal besides. Assets that can be looked after and optimised or eroded and destroyed.

A destination may have great assets (natural or cultural) but be unable to make the most of them. Or it may develop, consuming the assets it inherited. It is a little like a family: for a while the tangible well-being stays unchanged, or even grows. But then, inevitably, comes the decline. A destination that does not protect its environment, local traditions and quality of work destroys the resources generating well-being.

It cuts the tree of life. To be lasting, development must preserve and if possible increase the assets it has inherited. Otherwise, we are dealing with ephemeral, transient, unsustainable development.

And thus we reach our third and final word: sustainability. In the Bundtland Report approved by the United Nations in 1987, it is said that economic development is sustainable if it meets the demands of the present generations without affecting the possibility of future generations to meet their needs. The next year, in 1988, the World Tourism Organization set the idea out for tourism: tourism development is sustainable if it meets the demands of the residents and visitors of today without affecting the options of the residents and visitors of tomorrow (Cerina, Markandya & McAleer, 2010; Buzzigoli, Martelli & Varra, 2010).

In tangible, operative terms, tourism development is sustainable if the generations of today deliver intact assets to the generations of the future. In these terms, sustainability has been almost exclusively understood as a principle of inter-generational fairness. But in times of crisis, the temptation may prevail to seek prudent selfishness, deferring care for the interests of future generations to better times.

The fact is that assets are also important for today's generations. A destination that protects the environment, improves the quality of life of its residents, protects the local identities and reduces wastage of energy resources is not only more sustainable in the future, but also more competitive in the present.

Sustainability is therefore a driver of competitiveness. More and more tourists will choose and reward sustainable destinations. As Ritchie and Crouch wrote (2003: 9): "Competitiveness without sustainability is illusory".

In short, lasting sustainable competitiveness is the capacity to generate high or growing well-being for residents and tourists, whilst safeguarding the destination's assets.

A SYSTEM FOR MEASURING SUSTAINABLE COMPETITIVENESS:

THE PILLARS OF NECSTOUR

"If you can't measure it,"– a famous aphorism of contemporary business economics declares – "you can't manage it". "Science is measurement", reads another famous motto coined in 1933 by the Econometric Society.

In our times, the belief has become firmly rooted that only what can be measured has a scientific basis and can be managed with the standards of human reason. Measuring is not wrong. Indeed, where possible, it is useful in order to improve our knowledge of the natural and social phenomena we seek to dominate.

But we must be aware that measurement is always partial and cannot constitute the be all and end all of knowledge of the phenomena investigated.

In recent years, various different methods have been developed to calculate the competitiveness and sustainability of businesses and territories. The World Economic Forum publishes an annual report on the competitiveness of the national economic systems constructed on the basis of 14 pillars; these pillars use a set of statistical indicators to measure the level of safety, the effectiveness of regulations, the efficiency of the public administration, the quality and prices of services, the assets available and other dimensions. The same technique has been used to prepare a Travel & Tourism Competitiveness Index. The drivers of competitiveness include sustainability, but are restricted to the environmental sphere. We are, therefore, talking about competitiveness without sustainability (or with limited sustainability). In 2011, the World Economic Forum proposed, for the first time, a method for calculating "sustainable competitiveness" considering all dimensions of sustainability: environmental, social and economic. The New Sustainable Competitiveness Index remains, however, a method of assessment that is valid above all for comparing the performance of the different national economic systems (World Economic Forum, 2011a: chapter 1.2; 2011b).

There are also scholars who have sought to measure the sustainability of tourism development using analysis techniques that had originally been prepared and experimented in other areas: the carrying capacity, namely the maximum number of tourists a destination can host without risking its territorial assets; and the ecological footprint, namely the human consumption of natural resources with respect to the amount of resources available (renewable). In these cases, we are dealing with sustainability without competitiveness. (For a collection of recent literature, see Magliulo, 2010). In October 2007, the European Commission approved the important communication entitled "Agenda for a Sustainable and Competitive European Tourism" (Commission of the European Communities, (2007). In June 2009, in the wake of that document, three European

regions - Catalonia, PACA and Tuscany - founded NECSTouR (Network of European Regions for a Sustainable and Competitive Tourism), a non-profit association that brings together regions, universities and businesses working in the European tourism industry. The aim is to promote social dialogue between all public and private stakeholders, in order to develop an integrated, sustainable, competitive tourism offer (on the NECSTouR model, see the documents published at www.necstour.eu and Varra, 2012).

NECSTouR sets out the idea of sustainable competitiveness into ten major objectives - taken from the European Agenda - which can be measured using a set of statistical indicators to be prepared on the basis of data already available from the research institutes and administrative headquarters of large and small destinations.

The ten objectives (pillars) are:

- To limit the environmental impact of transport
- To increase the quality of life of residents
- To increase the quality of employment
- To reduce the seasonality of tourism flows
- To protect the cultural heritage
- To protect the environmental heritage
- To protect the identity of destinations
- To reduce and optimize the use of natural resources and water in particular
- To reduce and optimize energy consumption
- To reduce and manage waste

The statistical indicators should constitute the central nucleus of an information system in support of destination management decisions. The Region of Tuscany has already begun establishing a Network of Tourism Destination Observers involving local institutions, universities and tour operators. The working party is collecting and selecting a series of statistical indicators by which to construct an integrated information system that, once completed, will enable the monitoring and comparison over time of the sustainable competitiveness of multiform destinations: from the Mount Abetone to the thermal baths of Montecatini (on the use of statistics and indicators in tourism, see WTO, 2004, www.necstour.eu; and Varra, 2012).

NECSTouR has the potential to become a major network joining the different European destinations. There are, however, limits of which it is important to be aware.

The ten objectives are certainly drivers of sustainable competitiveness. A tourism destination, to the extent to which it is able to limit the environmental impact of transport, increase the quality of life of residents and of employment, reduce the seasonality of tourism flows

and achieve the other objectives, becomes - as we have already seen - not only more sustainable in the future, but also more competitive in the present. Those listed, however, are just some of the factors of competitiveness and sustainability of a territory. A destination may have achieved the ten objectives and yet not be competitive, and therefore suffer economic decline. Competitiveness also depends on other factors. It depends, for example, on the safety of the locations or the quality and prices of the goods and services offered.

The indicators proposed by NECSTouR are useful and interesting. Indeed, very praiseworthy work has been done to connect objectives and indicators. But there are a great many indicators for some objectives, whilst few for others and not all are true indicators.

My proposal is simple: to add an eleventh pillar - price competitiveness - and better select the indicators.

An indicator is naturally a ratio of two statistical items of data. This ratio can compare different phenomena between which there is a logical connection or the same phenomenon at different moments in time.

The first type of indicators are of composition, coexistence and derivation.

A "composition ratio" compares one part with everything. For example, we may wish to know the percentage of Italian (or foreign) arrivals out of the total number of arrivals or the percentage of people employed in the tourism industry as compared to the total number of people employed:

$$Percentage\ of\ Italian\ Arrivals = \frac{No.\ of\ Italian\ Arrivals}{Total\ No.\ of\ Arrivals} \times 100$$

A "coexistence ratio" compares two phenomena that coexist and are part of a whole. To say that 2 million people were in a given location means absolutely nothing if the information is not compared with the number of residents. For a medium sized destination it would be a resounding success, for a larger one, a complete failure. The indicator that measures tourism pressure of a location is a coexistence ratio that compares the presence of tourists with the number of residents:

$$Tourism\ Rate = \frac{Presence\ of\ Tourists}{No.\ of\ Residents} \times 100$$

A "derivation ratio" compares connected phenomena. We may wish to know the number of cycle paths in a given location. To say that there are 40 km^2 of paths means absolutely nothing. This may be a great deal for Cambridge, but very little for London. We need to relate this information to the km^2 of the municipal territory. The following indicator is a derivation ratio (specifically of density) which compares the distance of cycle paths with the distance of the municipal territory of a destination:

$$Cycle\ Path\ Density = \frac{Km2\ of\ Cycle\ Paths}{Km2\ of\ the\ Municipal\ Territory} \times 100$$

The second type of indicators are "increasing ratios" and are used to measure changes in relation to a phenomenon over time. We want to know if the erosion of beaches or soil consumption continues or halts, or whether the number of arrivals and presences increases or decreases. The easiest way is to calculate the percentage change. But this alone may not suffice. We may see a major reduction in arrivals one year, and then small increases the following years and not understand if and when we have returned to pre-crisis levels. A more effective solution is to calculate the index numbers.

An index number is a ratio of two sizes: one, the denominator, which refers to a base year (AB) and the other, the numerator, which refers to a year being considered (AC).

$$I_{AB,AC} = \frac{AC\ Value}{AB\ Value} \times 100$$

The index numbers enable us to calculate the percentage change with respect to both the previous year and the base year and, therefore, show us, at any time, if and how far the phenomenon examined has changed.

Let us suppose, for example, that in 2009, the natural assets of a mountain destination comprised 3,000 hectares of forest and nature parks. In 2010, a fire caused the area to reduce to 2,900 hectares and in 2011, thanks to the opening of a new nature park, it rose to 3,100 hectares. In 2011, the destination recorded a 7.29% increase in its natural assets with respect to the previous year, but only 3% with respect to the base year (2009):

$$I_{2009,2009} = \frac{3.000}{3.000} \times 100 = 100 \qquad I_{2009,2010} = \frac{2.900}{3.000} \times 100 = 96 \qquad I_{2009,2011} = \frac{3.100}{3.000} \times 100 = 103$$

We are all aware that sustainable competitiveness objectives refer to complex phenomena that can only be partially measured. The same competitiveness of price of a destination should consider, in a comparative fashion, the price of all goods and services required during a tourism experience: intermediation, transport, hospitality, catering, etc. (OECD: 52-55). But it is very rare that all data needed is available.

As I see it, the indicators should be selected on the basis of three simple criteria. They should be meaningful, available and comparable.

The table below lists the 11 sustainable competitiveness objectives (the 10 of NECSTouR and the eleventh on price competitiveness) and for each of these, three indicators chosen according to the above criteria (Table 1):

Table 1: Objectives and indicators of sustainable competitiveness

PILLARS/OBJECTIVES	Result indicators
1. To limit the environmental impact of transport	a. CO_2 emissions (index number)
	b. km^2 cycle paths/km^2 municipal territory
	c. no. ecological public transport vehicles/total public transport vehicles
2. To increase the quality of life of residents	a. arrivals/km^2
	b. presences/residents
	c. (residents + presences)/km^2
3. To increase the quality of employment	a. employees in tourism according to genre/total employees in tourism
	b. seasonal employees in tourism/total employees in tourism
	c. unemployed tourism workers/tourism workforce
4. To reduce the seasonality of tourism flows	a. sum of presences in the three busiest months/sum of presences in the three least busy months
	b. average TO of the 3 busiest months/average TO of the 3 least busy months
	c. average hotel prices during the three busiest months/average hotel prices during the three least busy months
5. To protect the cultural heritage	a. no. of sites open to the public (index number)
	b. no. of visitors to cultural sites (index number)
	c. spending on cultural heritage/total municipal expenditure
6. To protect the environmental heritage	a. no. of businesses with environmental certification/total no. of businesses area
	b. no. of tourism businesses with environmental certification/total no. of tourism businesses
	c. protected green areas/total municipal surface
7. To protect the identity of destinations	a. presences/residents
	b. annual no. of events optimising local traditions (index number)
	c. no. of short chain projects (index number)
8. To reduce and optimize the use of natural resources and water in particular	a. water consumption/(residents + presences)
	b. per capita water consumption in the three busiest months/per capita water consumption in the three least busy months
	c. total loss of water network (index number)
9. To reduce and optimize energy consumption	a. electricity consumption in Kwh/(residents + presences)
	b. per capita energy consumption in the three busiest months/per capita energy consumption in the three least busy months
	c. renewable energy/energy demand
10. To reduce and manage waste	a. waste production/(residents + presences)
	b. per capita waste production in the three busiest months/per capita waste production in the three least busy months
	c. recycled waste/total waste
11. To increase price competitiveness	a. average hotel prices according to class (index number)
	b. average non-hotel structure prices according to type (index number)
	c. average price for catering services (index number)

This is merely a first approximation. Subsequently, new objectives and additional indicators can be included. However, at least in the meantime, this proxy should suffice in order to help prepare an information system in support of the strategic decisions that institutions and operators of all destinations are called to make.

A TERRITORIAL PLANNING MODEL: *THE BALANCED SCORECARD*

There are various different territorial planning models. All, however, to a greater or lesser degree, seek to answer three related questions: where we are, where we want to go and how we can achieve this (Godfrey & Clarke, 2000; WTO, 2007; Lozato-Giotart *et al*, 2012).

The Balanced Scorecard (BSC) is one of these models. Its main benefit is that it forces management to prepare a vision and convert this into a detailed strategy, structured into objectives, indicators, actions and monitoring (Kaplan & Norton, 1996; 2004).

Starting from the 1990s, the BSC has been applied successfully in a great many private businesses. It has also subsequently been experimented in some public and non-profit organizations (Niven, 2008). Finally, an attempt has been made to extend it to tourism destinations. In a study carried out in 2002, promoted by the European Commission (2002), a scheme was proposed that, unfortunately, was not followed-up on.

In the original version, designed for private businesses focusing on the objective of maximizing profit, the BSC was built around four perspectives, each defined by a key question, which rotate around, and are functional to the vision and strategy prepared by the management (Fig. 1):

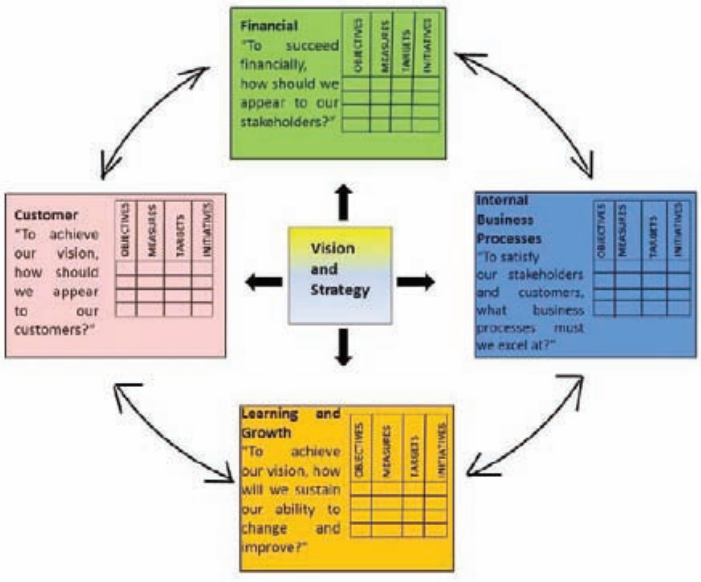

Figure 1: Balanced Scorecard

The territorial planning model presented here is inspired by the BSC and structured into three stages.

The first step that destination management should make is to draw up a "strategic map" and, therefore, to define a development hypothesis, establishing cause/effect relations between the various variables or perspectives. Our hypothesis, which is very plausible indeed, is that development depends on the sustainable competitiveness of the destination.

It is therefore a question of drawing up the development route to be taken by the destination.

The starting point is an analysis of resources available. We need to ask ourselves: does the destination have any tourism assets? Does it have natural, artistic or cultural attractions? If it has nothing, or very little, it is unlikely to be successful. But everyone has something. There is always a *genius loci* worthy of discovery and exploration.

The next question thus becomes: does the destination make efficient use of the resources available, offering quality tourism services and goods? The destination may have significant resources - natural, artistic or cultural - yet be unable to transform them into goods and services that attract the market. Or it may produce poor quality goods.

The problem then leads us to another question: are tourists satisfied with the goods and services offered by the destination? They may be, and yet still prefer other destinations that they consider better in terms of quality and/or prices.

So we then need to ask ourselves: does the destination, in competition with rival locations, attract the desired number of tourists whilst preserving the territorial assets? It is, in fact, a matter of planning sustainable development that can maximize the well-being of residents and tourists, whilst safeguarding available resources.

Finally: does the destination generate high or growing well-being for residents and tourists, to the extent that it is able to finance the investments needed to preserve the assets? If, in fact, the tourism creates income and employment, then there must be the possibility of optimizing the assets generating that well-being.

Let us summarize, for convenience of reading, here are the five perspectives for the competitive, sustainable development of the tourism destinations.

Resource perspective: Does the destination have any tourism assets?

Offer perspective: Does the destination make efficient use of the resources available, offering quality tourism services and goods?

Demand perspective: Are tourists satisfied with the goods and services offered by the destination?

Sustainable competitiveness perspective: Does the destination, in competition with rival locations, attract the desired number of tourists whilst preserving the territorial assets?

Performance perspective: Does the destination generate high or growing well-being for residents and tourists, to the extent that it is able to finance the investments needed to preserve the assets?

And thus we have the "strategic map" setting out the route for development (Figure 2):

Figure 2: Strategic map

The second step that destination management is called to complete must be to answer the five questions. An information system should therefore be constructed and the positioning of the destination within the reference market be determined.

This is no easy task. Here, we only seek to provide some indications of method.

Let us start with resources. Tourism assets are all resources needed to prepare an offer of tourism goods and services. They include natural, artistic, cultural, intellectual and infrastructural resources. They can be measured using a similar system of indicators as that presented previously.

Table 2 provides some examples of how the tourism assets can be measured.

Now let us move onto the offer. The typical tourism chain includes intermediation, transport and hospitality services, with a core service that distinguishes a great many destinations: museums in cities of art, bathing facilities in coastal locations, ski resorts in mountain destinations, etc. (Table 3).

The tourism demand is generally unstable, very segmented and price-sensitive. In order to examine at least some essential aspects on the basis of available data, we need to estimate the level, seasonality and segmentation of local demand and, with regular sample surveys, monitor the level of satisfaction of residents and tourists and medium-term trends (Table 4).

Table 2: Resource perspective

Resources	Result indicators
Natural resources:	
Air quality	annual average dust (μg/m^3)/regional average annual average nitrogen oxide (μg/m^3)/regional average annual average ozone (μg/m^3)/annual average
Water quality	no. of water courses having achieved the European ecological objective/no. of water courses Kms of bathing areas with European classification as good-excellent/total Kms of bathing areas
Forests and parks	total green hectares (index number)
Cultural and artistic assets:	
UNESCO sites	no. of destination sites/no. of regional sites
Churches and monuments	no. of churches and monuments in destination/no. of churches and monuments in region
Museums and cultural sites	no. of museums and cultural sites in destination/no. of museums and cultural sites in region
Intellectual assets:	
Human	secondary school graduates/residents
Social and relational	no. of members of sports, recreational, cultural, political and volunteer associations/residents or no. of associations (index number)
Infrastructural assets:	
Transport	average time (by car, train or air) from the main reference city/cities (index number)
Sports facilities	no. of systems (index number) Now

Table 3: Offer perspective

Tourism offer	Result indicators
Intermediation	no. of agencies (index number)
	no. of websites (index number)
Transport	average time (by car, train or air) from the main reference city/cities (index number)
Hospitality	no. of beds/residents
	no. of beds/km^2
	no. of tourism businesses/total no. of businesses
	no. of accommodation businesses/total
	no. of tourism businesses
	no. of hotels/total no. of accommodation businesses
	no. of 3-4-5 star hotels/total no. of hotels
	average price of 3-4-5 star hotels/average price in region
Core service	Kms of slopes (index number)
	Kms of paths (index number)
	Kms of lifts (index number)
	Or
	no. of museums open to the public (index number)
	no. of organized tourism itineraries (index number)
	etc.

Table 4: Demand perspective

Tourism demand	Result indicators
Level	arrivals/residents
	presences/residents
	average length of stay in destination/regional average length of stay
Seasonality	maximum no. of monthly presences/minimum no. of monthly presences
Segmentation	Italian presences/total presences
	leisure presences/total presences
	elderly presences/total presences
Satisfaction	sample surveys
Trend	sample surveys

Tourists may be fully satisfied with the services offered and yet, despite this, still prefer other destinations. A complete information system should enable a benchmarking with rival destinations and help understand the critical factors. For example, if we compare absolute values and index numbers, we may see that elsewhere CO^2 emissions are being reduced, or the stock of natural assets increased.

Sustainable competitiveness is measured using the eleven pillars presented in the previous paragraph and of which a reminder is given here (Table 5).

Finally, the impact of tourism is essentially assessed in terms of contribution to income, employment and inflation in the local economy (Table 6).

At this point, destination management should be able to draft an answer to the five questions.

Resource perspective: the absolute values and index numbers should allow for the preparation of an estimate, diachronic monitoring and the synchronic comparison with rival destinations.

Offer perspective: stakeholders should first ask themselves if the resources available are used in full, if, therefore, the destination has an output gap between the potential offer and effective offer: are there churches, monuments, parks, archaeological sites closed to the public? Are there any deteriorated areas?

Are there any abandoned beaches?

Demand perspective: the indicators selected can provide useful indicators by which to measure tourism pressure, seasonality rates and visitor satisfaction levels.

Sustainable competitiveness perspective: for each pillar, they can be monitored and compared with others.

Performance perspective: public and private stakeholders should assess whether or tourism contribution to the local economy in terms of income, employment and inflation is satisfactory or not.

Table 5: Sustainable competitiveness perspective

Sustainable competitiveness	Result indicators
To limit the environmental impact of transport	CO_2 emissions (index number)
	km^2 cycle paths/km^2 municipal territory
	no. ecological public transport vehicles/total public transport vehicles
To increase the quality of life of residents	arrivals/km^2
	presences/residents
	(residents + presences)/km^2
To increase the quality of employment	employees in tourism according to genre/total employees in tourism
	seasonal employees in tourism/total employees in tourism
	unemployed tourism workers/tourism workforce
To reduce the seasonality of tourism flows	sum of presences in the three busiest months/sum of presences in the three least busy months
	average TO of the 3 busiest months/average TO of the 3 least busy months
	average hotel prices during the three busiest months/average hotel prices during the three least busy months
To protect the cultural heritage	no. of sites open to the public (index number)
	no. of visitors to cultural sites (index number)
	spending on cultural heritage/total municipal expenditure
To protect the environmental heritage	no. of businesses with environmental certification/total no. of businesses
	no. of tourism businesses with environmental certification/total no. of tourism businesses
	protected green areas/total municipal surface area
To protect the identity of destinations	presences/residents
	annual no. of events optimizing local traditions (index number)
	no. of short chain projects (index number)
To reduce and optimize the use of natural resources and water in particular	water consumption/(residents + presences)
	per capita water consumption in the three busiest months/per capita water consumption in the three least busy months
	total loss of water network (index number)
To reduce and optimize energy consumption	electricity consumption in Kwh/(residents + presences)
	per capita energy consumption in the three busiest months/per capita energy consumption in the three least busy months
	renewable energy/energy demand
To reduce and manage waste	waste production/(residents + presences)
	per capita waste production in the three busiest months/per capita waste production in the three least busy months
	recycled waste/total waste
To increase price competitiveness	average hotel prices (index number)
	average non-hotel structure prices (index number)
	average price for catering services (index number)

Table 6: Performance perspective

Performance	**Result indicators**
residents' income	GDP for tourism/GDP for destination or presences/residents
residents' employment	tourism employees/total employees or hotel employees/total employees
local inflation	destination inflation/regional inflation or average local hotel price/average regional hotel price

With the information collected, the destination management should also be able to prepare a SWOT analysis, determining opportunities and threats, strengths and weaknesses of the destination.

The third and final step consists of defining the mission, vision and strategy. The mission is what we intend to achieve. A destination may decide to downsize the role played by tourism, privileging other activities or, as is more often the case, to renew the offer. The vision is a future projection of what it wishes to become. A mountain destination specialized in winter sports may wish to become a place in which cultural tourism is also possible. The strategy is a coordinated set of objectives, indicators, actions, monitoring and strategic learning. To become a destination in which cultural experiences are also possible, it may be necessary to open a museum on local traditions, promote the initiative and find the relevant funding. And then to check whether or not the objectives have been achieved and, if appropriate, redesign the plans in a continuous process of strategic learning.

We need to add some more columns to the table of the five perspectives. At the end of each year, the stakeholders prepare a social balance of the year just ended and set new objectives, which may regard the maintenance or extension of the existing assets or the provision of new services, a communication campaign, action to protect the local identity, etc.

In keeping with the example, let us suppose that the mountain destination had planned to open a museum on local traditions and that, due to lack of funding, it has not been possible to complete the work.

When drawing a social balance, the stakeholders decide to participate in a European call to finance the museum project and extend the cultural tourism offer. These acts are recorded in the Resource Perspective (Table 7).

In the same way, in completing the other tables we can obtain an up-to-date comparative framework of the economic position in which the destination finds itself and the perspectives it pursues.

Table 7: The perspective of the resources of a mountain destination

Resources	Target Expectations	Result indicators	Cause analysis	Objectives	Target programmed	Actions
Natural resources:						
Air quality						
Water quality						
Forests and parks						
Cultural and artistic assets:						
UNESCO sites						
Churches and Monuments						
Museums and Cultural sites	*1 museum on local traditions*	*0 museums*	*lack of funding*	*strengthen the cultural offer*	*1 museum on local traditions*	*participate EU call*
Intellectual assets:						
Human						
Social						
Relational						
Infrastructural assets:						
Transport						
Sports facilities						

CONCLUSIONS

We can now sum up what we have seen.

The large or small corporate or community destination is the real product that the tourist chooses, appreciates or discards. In community destinations, the product may be prepared only through a patient social dialogue between all stakeholders. The destination is permanently competitive, namely sustainable, if it can assure high or increasing well-being to residents and tourists, preserving the territorial assets.

There is no trade-off between competitiveness and sustainability. Indeed, sustainability is a driver of competitiveness.

Scholars have prepared various ways in which to measure the competitiveness, sustainability and sustainable competitiveness of territories. Our proposal is to take up and supplement the approach adopted by NECSTouR adding an eleventh pillar to the ten pillars of sustainable competitiveness, consisting of price competitiveness, and selecting the statistical indicators used to measure the objectives pursued to a greater extent.

Scholars have also prepared various different territorial planning models. Here a model has been proposed inspired by the Balanced Scorecard and which incorporates the system of sustainable competitiveness indicators prepared by NECSTouR.

A simple territorial planning model is a useful tool by which to measure and monitor the performance of tourism destinations and guide the social dialogue of stakeholders. But without ever forgetting Shakespeare's

warning, proceeding as gradually as necessary and with the awareness that the reality is always greater than any of our measurements.

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