


ASSUMPTIONS OF LINKING INNOVATION AND BRANDING THE HIGH-PROFILE PROJECT IN TOURISM SECTOR

Abstract: Tourism is a factor for development. In this way, evidence confirmed that tourism can be a major player in the transformation of the economy and the promotion of sustainable development. Tourism prospects are closely tied to general economic prospect. The contact with the modern creation helps in the understanding and profound knowledge of habits, tendencies, ways of thinking of the indigenous, contributes in the spiritual uplift and in the conscience that the world is not limited to our only personal area of activity. Also it could be discussed how to develop tourism plans. It is important to formulate a plan and techniques how to use it, how to incorporate it, the importance of this plan and the influence of area characteristics on planning. In this way, the most of the discussion of innovation focuses on new products and technologies, but innovation is based on challenging existing assumptions and ways of thinking. One option to develop new ways of thinking and innovation in tourism is to argue that there is no such thing as sustainable tourism. Tourism may contribute to the sustainable development of some regions under some circumstances, then a number of new approaches to tourism development emerge. So, stronger links may emerge between tourism and other economic activities and development options. The existence of additional criteria could be used to evaluate different potential tourism developments and makes suggestions about the development of sustainability performance indicators. So primarily, it is essential to highlights the importance of better knowledge management systems to support innovation in tourism.

Author information:


Tatjana Boshkov

PhD is University Professor at Goce Delcev University, Stip.
 Macedonia


Keywords:

tourism, strategy, innovation, branding, city.


Lulzim Fejzullai

PhD, Faculty of Agricultural Sciences and Food (FASF) and Director of Public Enterprise for Management of pastures, Skopje
 Macedonia

Elona Fejzullai

MSc. Candidate on Faculty of Agricultural Sciences and Food (FASF) in Skopje
 Macedonia

Nikola V.Dimitrov

PhD,Dean on Faculty of Tourism and Business Logistics,Stip
 Macedonia

1. Introduction

Innovation can come in many forms but all of these share three common elements — creativity, a problem- solving approach and a new way of thinking. Current approaches to tourism and sustainable regional development have a number of problems. New solutions to these problems could come from using creative thinking methods. Challenging basic assumptions can lead to very simple but powerful new ideas. The role of tourism development concentrates on the resources, skills and infrastructure that a community offers to tourism developers. But now it is much important to be explored a number of ways in which regional

communities can use tourism developers and tourists to achieve the destination region's broader goals and aspirations.

Also, cities are the places where unbalance in the use of resources is most evident (they consume more resources than they generate), but at the same time they are the core of economic and societal innovation. Sustainable urban development makes it necessary to strike a balance, achieving the maximum of development opportunities and preserving at the same time the assets and the intangible elements that constitute the cultural identity of a country.

The growth of tourism refers to the gradual evolution of tourism which is an important factor for the productivity of a country's economy. When is measured the economic impact of tourism, it should be underline the essential causality among real gross domestic product, real effective exchange rate and international tourism. Tourism should be seen as a moving factor with an important contribution for the economies. In addition, the study covers estimation which measured the effect of tourism on economic development in Macedonia and Greece.

2. Branding high-profile projects in tourism sector

Tourism can improve the city's environment, enhances the city's image and aids inward investment. Flagship projects for promotion a city as nation brands, ensure the potential for new investment to be attracted due to the fact of promoting a new image by creating a new and attractive physical environment. A new and positive image is seen as a crucial element of attracting inward business investment. As part of tourism strategy, could be developed an agenda for attracting overnight business tourists and to raise international profile of the city.

Thus, tourism strategy in these high-profile projects for promotion a city as nation brand includes:

- encouraging access and movement,
- providing quality tourist information,
- setting up visitor priority areas,
- developing a coherent mixture of visitor attractions,
- encouraging investment in retailing, restaurants and accommodation,
- incorporating with various organizations,
- improving physical environment as a critical role for the promotion of tourism activities,
- creating additional leisure and tourism facilities and major visitor attractions based on the industrial and social heritage,
- encouraging the creation of a cross-city pedestrian walkway, ect.

These major events will attract large numbers of visitors. Consequently, the reputation and perception of the city will effectively enhance. As the number of visitors to the city increases and the city's national and international image through the development of tourism policy along with high-profile projects, does this attract business investment? The quality of high-profile project does not just consist of image, cultural, leisure and recreation issues. It should also include education provision, medical services, housing conditions, criminal justice systems and community services.

3. The role of urban planners and business investors

Urban planners, often act as if the provision of culture-led initiatives would affect the location selection of potential business investors. They see image perception as a key element to attract inward business investment and business relocation to the city. For these aims are using many different marketing and branding strategies. In theory, there is value in seeing the city in the perspective of marketing principles operating under four key controllable variables: product, price, place and promotion (Kotler, 1991; Middleton, 1994). Thus, high-profile projects can be aligned as product, its capital cost and funding as price, the city centre as place and the city's methods of communication as promotion, together with the city's marketing. Thereby, the city can be seen as a commodity to be packaged and sold (Ward, 1998). In addition, the four key controllable variables offer opportunities to

target potential investors in the city, such as: banking, high technology, information communication, hospitality or leisure-based retailing sector. Those tasked with attracting inward business investment to a city will identify products and services that meet the needs of compatible target investors. Every target market consists of groups or segments with dissimilar needs and wants (Middleton, 1994). All types of potential business investor will not be attracted to a particular city. Seeking to attract inward business investment by targeting specific types of industry through effectively operating the four key controllable variables should guide inward investment strategy. In terms of marketing principles, the city is thus seen as the product of assembling its facilities, products and services. The marketing involved in packaging places almost as a commodity to be bought and sold, is not only their physical existence as land, but also their historical and cultural significance. It is impossible to market places or cities in the same way as a defined product or service that is sold to clearly defined users. In addition, unlike most other commodities those are marketed, those doing the marketing have considerably less direct control over the assemblage of products through which the totality of the city is constituted (Barke & Harrop, 1994).

The marketing approach offers some tools for the job that give promotional groups a methodology that enables them to define and target place image (Ward & Gold, 1994). It is a fact that the high-profile projects combined with tourism development will improve physical structure of a city and provide visitor expenditure and tourism related employment for the city. This brings benefits for the city. Urban image should not be seen as an individual factor leading and dominating policy or planning. As to this kind of urban symbolism, Mullins (1991) comments that the work of urban symbolism is conceptually, methodologically and theoretically weak, since it is philosophic, rather than social scientific, in orientation, unless suitable concepts are developed and empirical research undertaken, urban symbolism will remain a vague philosophy and will be of little use for urban social science. Successful places need to be able to attract and retain businesses, based on understanding their requirements. The target investors that want to settle down in the city will be based on the perception of its advantages that those target investors need. A city's potential advantages for investors would include the existing clusters of businesses, supply of human resources, support of transportation networks and demands of local markets (Porter, 1995).

4. Reconceptualizing tourism through innovation in tourism development

Considering Hjalager (1997), he argues that there is a tendency to associate innovation only with invention or the creation of new products and this limits understanding of the potential for innovation in a sector. Also he goes on to argue that this product innovation is only one of several types of innovation. Other types include classic process innovations (where the production process is altered), information handling innovations (where new forms of knowledge management are adopted), management innovations (where the way in which a business is managed is changed) and institutional innovations (where the structure of the organisation is altered). Others provide a similar argument in their review of definitions of innovation. These authors concluded that innovation is best defined as a "dynamic capability" based on patterns of thinking and action that allows an organisation to regularly modify the way it operates to improve its effectiveness. The importance of patterns of thinking is stressed in this definition and these authors note that all innovation is based on new ways of thinking often associated with creative thinking techniques. Another paper offers a wide range of thinking techniques they are all connected by two common themes — challenging existing assumptions and looking at an existing situation from a different perspective.

The road towards sustainable development is inevitably a search for new ways of thinking and acting suggesting that innovation in considerations of tourism and sustainability will require changes in ways of thinking. An alternative way to view the role of tourism in development is to challenge the assumption that it can be sustainable in its own right and more explicitly label it as a potential resource for communities seeking sustainable development options. Reconceptualizing tourism as just one among many possible development options is likely to result in a more direct

comparison of tourism to other development options. The treatment of tourism as a development tool just like any other is also likely to encourage the application of concepts and processes from other activities to tourism, particularly ideas about building community capacity.

A consideration of tourism as a resource for communities might also encourage a discussion of wider and more innovative types of tourism development than are typically considered. Richards and Wilson (2006) refer to “serial reproduction” that raises the question of what sorts of resources tourism might be able to contribute to the sustainable development of a rural or peripheral region. Holmefjord (2000) suggests that there are three types of synergies between tourism and other activities that can be exploited by rural communities — product synergies, market synergies and marketing synergies.

Product synergies refer to the shared use of facilities and resources by tourism and other activities. A common benefit often claimed for tourism is that it relies upon and contributes to infrastructure that can then be used for other activities. Transport and communication systems are typically considered as such resources. If tourism becomes an end in itself, rural communities may find themselves having to fund the infrastructure that was meant to be provided by the tourism development. This is especially the case when the planning is based on developing the infrastructure for tourism and then finding other uses for it. The alternative is to determine the infrastructure already available and/or required by nontourism activities and then find the type of tourism that can utilise these resources.

The market synergies category recognises that tourists can be additional customers for other products and services. Thus, tourists can be a customer base for various specialist or niche agricultural, craft and other products. The critical element again was to determine the needs of the nontourism activity and then seek to attract the appropriate type of tourism to support that.

Tourists can be seen also as human resources for regional development. Volunteer tourism is a form of tourism that has been given little attention in the literature on rural tourism development. Volunteer tourism refers to people paying to participate in various nature-based and community development projects on their holidays. The volunteers exchange their labour for free accommodation and meals and the opportunity to access a destination. Marketing synergies are ways of using tourism to create a broader awareness of other aspects of the region. These marketing synergies can involve the joint use of marketing distribution systems, the use of tourists themselves as a promotion tool for regional products and the joint development of regional brands. The tourism development here is associated with growing interest from the “adopters” who act as promoters for the scheme.

In addition to new ways to look at types of tourism development, such a change in thinking about tourism can contribute to two important changes in the planning and management of tourism in regional destinations — the use of a different set of assessment criteria for evaluating tourism development proposals, and the development, and more extensive use, of sustainability monitoring systems. The change in thinking about tourism and its potential role for development would change the focus of assessments of tourism development proposals to include audits of the value of the proposed tourist markets and the associated tourism distribution systems that would result from the proposed tourism development, for existing or desired nontourism products and services.

The second key change in tourism planning and management that would result from a focus on the potential role tourism can play in a broader sustainable development framework for a destination region is that of supporting the need for comprehensive sustainability monitoring systems. Despite a widespread recognition that a core element of sustainable development is the monitoring of different areas or dimensions of sustainability, there has been little progress in the development and use of sustainability monitoring systems for tourism development.

Ko (2005) reviewed 12 studies where a sustainability assessment for tourism had been completed and concluded that the overall assessment was often based on the judgment of the author using a limited range of indicators with little discussion of how or why those indicators were chosen or how the indicators would be measured in a completed system. It can be further

argued that few, if any, of the systems described in the tourism literature are based on the perspectives of the residents and / or other key stakeholders in the destination regions. In other studies, for example, are used tourism academics to determine a list of sustainability indicators to assess tourism development. Others looked at the perspectives of local tourism industry members on sustainability and tourism and found significant discrepancies between what the tourism industry respondents saw as the goals of sustainable tourism and the measures they selected as indicators. The tourism industry respondents recognised the potential for tourism to contribute to a broad range of community development factors but selected mostly indicators of the economic success of tourism business.

5. The influence of SMEs in tourism expansion

In global economy small businesses are playing a critical role in reducing unemployment, penetrating new markets and generally growing national economies. It follows that small businesses represent an important vehicle for addressing the challenges of job creation, economic development and social development. Tourism is an under-exploited sector with considerable potential for expansion, particularly given the high labour absorption capacity of small businesses. Most studies attempt to build on extant research which has attempted to identify the resources required to allow businesses to leverage generic information technologies (IT), such as the Internet, to enhance the businesses' returns. Also, the entrepreneur should have a vision of what the Internet can achieve, and a competency which implies that the ownermanager takes his vision further and actually acquires the technology and technical competencies to utilise this medium. For example, the owner-manager manages the Internet within the context of the overall business and marketing activities on a continuous basis, which means a high level of involvement on the part of the owner-manager.

Small businesses lack many of the resources typically available to larger businesses, and as a result find it difficult to compete with bigger enterprises in terms of reaching target markets using the conventional marketing techniques. But, the advantages that issue from predominance of small and mediumsized enterprises (SMEs) in the tourism industry are that micro-businesses earned money and their money stay in the local community and they are vital element in job creation in rural areas and less developed regions in general.

That's why many studies of small tourism businesses within a locality are needed, focussing on their interconnectedness through networks and the wider benefits this brings to the industry as a whole. These studies underline the importance of entrepreneurial and marketing orientation in SMEs. An entrepreneurial orientation will provide a focus for the constructs of owner-manager involvement, owner-manager knowledge and owner-manager decision making. A marketing orientation will assist in obtaining the information on which the ownermanager can base decisions. This is because a market orientation will facilitate the acquisition of information on competitors, the appreciation of customer preferences and understanding the drivers of customer satisfaction.

The marketing practices of small businesses are influenced by factors as the traits of the owner- manager, the size of the small, medium and micro enterprise (SMME), and its stage of development, all of which impact on their marketing techniques. Also, technological tools, with their ability to reach broad and diverse markets at a very low marginal cost, have the potential to contribute to the growth of this sector.

6. Conclusion

It has already been noted that adherence to the idea of ' sustainable tourism ' tends to be associated with a focus on ensuring the continuity of tourism that limits consideration of the possibility that tourism may not be a sustainable option in some places. This tendency to assume that there will always be some form of tourism that can be sustainable means that there has been almost no discussion in the academic or government policy literature on provisions or procedures for dismantling of tourism and tourists has been identified as a major barrier to effective community

participation in, and control over, tourism development. Residents of many rural and peripheral regions have limited experience of tourism themselves and lack an understanding of the full range of potential impacts and changes associated with tourism. This lack of understanding can result in false expectations about the benefits of tourism, a lack of preparedness

Innovation in the form of creativity, a problem-solving approach and a new way of thinking, also brings benefits for small and medium-sized enterprises (SMEs) as another economic feature of tourism. These benefits are the money earned by micro-businesses tends to stay in the local community – they typically purchase locally and are part of the fabric of the local money circulation cycle. SMEs are a vital element in job creation in rural areas and less developed regions in general and they do not have the commercial rationale that dominates big enterprises. It should be recognized that in many developing countries tourism is a gateway to entrepreneurship, which recognizes leadership and innovation, and this is considered to be one of the positive points of tourism in the development process of many countries and regions. Put simply, all innovation is ultimately based on challenging existing assumptions and looking at things from an alternative viewpoint. It is important to return to a consideration of innovation more generally. Perdomo-Ortiz et al. (2006) presented evidence that innovation was more likely to occur in organizations that pursued the principles of total quality management. In particular, they noted the importance of knowledge management for successful innovation. A major barrier to creating innovative approaches to regional tourism is a lack of knowledge. A lack of understanding and experience for the changes associated with tourism and an inability to benefit from tourism development opportunities.

The dual challenge for tourism researchers is to find ways to effectively transfer existing knowledge about tourism and tourists directly to regional communities and to further develop an understanding of tourism as a social and economic phenomenon.

References:

1. Banerjee, M. J., Gerhart, V. J. and Glenn, E. (2006) 'Native Plant Regeneration on Abandoned Desert Farmland: Effects of irrigation, soil preparation, and amendments on seedling establishment', *Restoration Ecology*, 14, 3, 339 – 348.
2. Bessiere, J. (1998) 'Local Development and Heritage: Traditional food and cuisine as tourist attractions in rural areas', *Sociologia Ruralis*, 38, 1, 21 – 34.
3. Cawley, M. E., Gaffey, S. M. and Gillmor, D. A. (1999) 'Quality Tourism and Craft SMEs: Evidence relating to formation and development in Western Ireland', Paper presented at the European Congress of the Regional Science Association, Dublin.
4. Choi, H. C. and Sirakaya, E. (2006) 'Sustainability Indicators for Managing Community Tourism', *Tourism Management*, 27, 1274 – 1289.
5. Coccossis, H. (1996) 'Tourism and Sustainability: Perspective and implications', in Priestley, G. K., Edwards, J.A. and Coccossis, H. (eds) 'Sustainable Tourism? European experiences', CAB International, Wallingford, pp. 1 – 21.
6. De Bono, E. (1998) 'Lateral Thinking and the Use of Lateral Thinking', Ringwood, Penguin.
7. Devuyt, D. and Hens, L. (2000) 'Introducing and Measuring Sustainable Development Initiatives by Local Authorities in Canada and Flanders (Belgium): A comparative study', *Environment, Development and Sustainability*, 2, 2, 81 – 105.
8. Franz, M., Pahlen, G., Nathanail, P., Okunieuk, Nand Koj, A. (2006) 'Sustainable Development and Brownfield Regeneration: What defines the quality of derelict land recycling', *Environmental Sciences*, 3, 2, 135– 151.
9. Hebestreit, C., Kulczycka, J., Goralczyk, M., Kowalski, Z. and Wirth, H. (2005) 'Part 1 Editorial', *Management of Environmental Quality*, 16, 6, 578.
10. Hall, C. M. (2005) 'Tourism: Rethinking the Social Science of Mobility', Prentice-Hall, Harlow.
11. Hall, C. M. and Mitchell, R. (2000) 'Wine Tourism in the Mediterranean: A tool for

- restructuring and development ’ , *Thunderbird International Business Review* , 42 , 4 , 445 – 447 .
12. Holmefjord , K . (2000) ‘ Synergies in Linking Product, Industries and Place? Is Co-operation Between Tourism and Food Industries a Local Coping Strategy in Lofoten and Hardanger? ’ , Paper presented at the MOST CCPP Workshop: Joensuu, Finland .
 13. Hjalager , A . (1997) ‘ Innovation Patterns in Sustainable Tourism ’ , *Tourism Management* , 18 , 1 , 35 – 41 . Inskip , E . (1994) ‘ National and Regional Tourism Planning ’ , Routledge and the World Tourism Organization, London .
 14. Ko , T . G . (2005) ‘ Development of a Tourism Sustainability Assessment Procedure: A conceptual approach ’ , *Tourism Management* , 26 , 431 – 445.
 15. Pearce , P . L . , Moscardo , G . and Ross , G . (1996) ‘ *Tourism Community Relationships* ’ , Oxford.
 16. Perdomo-Ortiz , J . , Gonzalez-Benito , J . and Galende , J . (2006) ‘ Total Quality Management as Forerunner of Business Innovation Capability ’ , *Technovation* , 26 , 10 , 1170 – 1185 .
 17. Reid , D . , Mair , H . and George , W . (2004) ‘ Community Tourism Planning: A self-assessment instrument ’ , *Annals of Tourism Research* , 31 , 3 , 623 – 639 .
 18. Richards , G . and Wilson , J . (2006) ‘ Developing Creativity in Tourist Experiences: A solution to the serial reproduction of culture ’ , *Tourism Management* , 27 , 6 , 1209 – 1223 .
 19. Slater , M . D . , Edwards , R . W . , Plested , B . A . , Thurman , P . J . , Kelly , K . J . , Comello , M . L . G . and Keefe , T . J . (2005) ‘ Using Community Readiness Key Informant Assessments in a Randomized Group Prevention Trial ’ , *Journal of Community Health* , 30 , 1 , 39 – 54 .
 20. Stabler , M . J . (1997) ‘ An Overview of the Sustainable Tourism Debate and the Scope and Content of the Book ’ , in Stabler, M.J. (ed.), ‘ *Tourism and Sustainability: Principles to Practice* ’ , CAB International, Wallingford , pp. 1 – 21
 21. Twining-Ward , L . and Butler , R . (2002) ‘ Implementing STD on a Small Island: Development and use of sustainable tourism development indicators in Samoa ’ , *Journal of Sustainable Tourism* , 10 , 5 , 363 – 387 .
 22. Wearing , S . (2001) ‘ *Volunteer Tourism: Experiences that make a difference* ’ , CABI, Wallingford .
 23. Wall , G . (1997) ‘ Sustainable Tourism — Unsustainable development ’ , in Wahab, S. and Pigram, J.J. (eds.), ‘ *Tourism Development and Growth* ’ , Routledge, London , pp. 33 – 49 .