

Innovation Management in Tourism Destinations with special Consideration of Stakeholder Participation

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1. Introduction and Definition
2. Innovation Management Process
3. Stakeholder Participation in Tourism Destinations
4. Conclusions

1. Introduction and Definition

“Where business magazines once ranked companies primarily by sales growth and profit, publications now rank corporations on their innovation track record.”

And while acquisitions can yield synergy, and reengineering can streamline operations, a culture of innovation may be the ultimate fuel for long-term growth and brand development.”

... It`s not enough to just have a good idea. Only when you act, when you implement, do you truly innovate.”

(Source: Tom Kelley, The Ten Faces of Innovation, 2008, P. 4f)

1. Introduction and Definition

What is an INNOVATION?

- Through overuse, misuse, hype and enthusiasm, the word innovation has essentially lost its meaning.
- Confusion between outcome and process
- Need for nuanced understanding of what innovations actually do (or do not do).

→ *Innovation is not invention*

→ *Innovations have to earn their keep*

→ *Very little is truly new in innovation*

→ *Innovation goes beyond products*

1. Introduction and Definition

INNOVATION is the creation of a viable new offering

(Larry Keeley, Types of Innovation, 2013, P.5)

.... which can affect:

- Configuration (business and profit model, network, structure, process)
- Product performance and system
- Experience (service, channel, brand, customer engagement)

2. Innovation Management Process



Source: <https://www.hypeinnovation.com/learn/choose-innovation-management-solution>, taken 10.07.2019

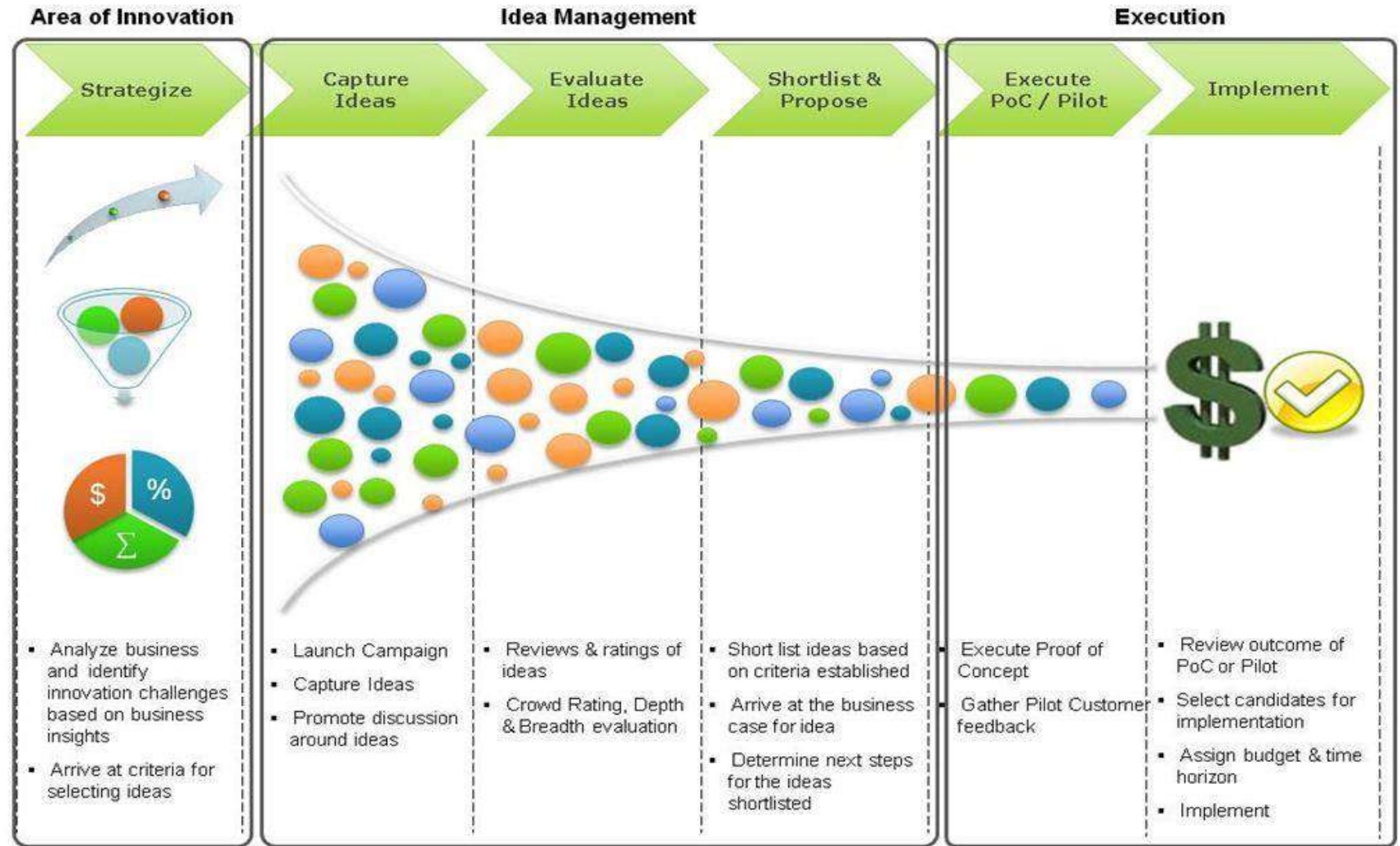
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2.
Innovation
Management
Process



You cannot do it alone

2. Innovation Management Process



Managed Innovation Process

- Source: <https://innovationmanagement.se/2011/03/23/is-stage-gate-the-right-tool-for-the-job-a-fresh-look-at-innovation-portfolio-management/>, taken July 10, 2019

2. Innovation Management Process

INNOVATION depends on

- Innovation management process
- Innovation capabilities
- Innovation culture



(Source: Summary from 200 scientific studies, 26th Conference of the International Society for Professional Innovation Management (ISPIM) 2015 in Budapest, Harvard Business Manager 06/2015)

3. Stakeholder Participation in Tourism Destinations

Destination Management/Governance

- **Corporate Model**

Control of product, people and process



change agents empowered by hierarchy and strategy,
impact on capabilities and culture

- **Community based Model**

Control of product, people and process



vision of destination as a cognitive system, governance model
lacks innovative drive, depending on value and culture, change
agents lose strength (Varra et al, 2012, P. 378f),
less influence on capabilities and culture

3. Stakeholder Participation in Tourism Destinations



Stakeholder in Tourism Destinations

- Tourism Organisation / Destination governing body incl. employees
- Investors, shareholder
- Business Owners (hoteliers, retail, restaurants, transport, services)
- Visitors or guests (actual or potential)
- Distribution partners, vendors, suppliers
- Public Authorities (municipality, regional etc.)
- Special interest groups (environmental protection associations, cultural or sports assoc.)
- Inhabitants, citizen representatives
- Externals (moderator, consultants)

3. Stakeholder Participation in Tourism Destinations

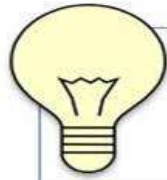
Existing platforms of involvement and participation

- Guests/visitors: OTAs review platforms (e.g. Trip Advisor, Holiday Check etc.), Customer Surveys
- Inhabitants: Regulations (e.g. Direct Democracy in Switzerland, claims)
- Authorities: Permissions, public funding
- Employees: direct responsibilities, workers council
- Destination Management or Governance Bodies: Advisory Boards and Peer Groups

150 different techniques and approaches that can be applied for stakeholder engagement in relevant processes of destination development depending on what the organization is aiming for

(Larsen/Williams: Monitoring the success of stakeholder engagement, 2009, P.262)

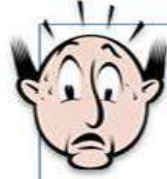
3. Stakeholder Participation in Tourism Destinations



Lack of understanding that everyone is innovative



Fear of failure



Fear of criticism



Lack of a conducive environment / motivation



Lack of time



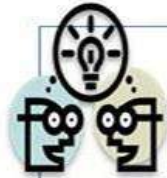
Lack of understanding of innovation process



Team culture too focused on status quo



Lack of skills/knowledge that drives insights and ideas



Lack of awareness about reuse as a form of innovation



'Not invented here' syndrome that prevents reuse

Barriers to innovation as heard from employees

- Source: <https://www.managementexchange.com/story/managed-innovation-oxymoron>, taken July 10, 2019

3. Stakeholder Participation in Tourism Destinations



Dependencies of participation input

- Interests (conflicts of interest), motivation, politics
- Education, capabilities and personality
- Knowledge of strategy and process, lack of focus
- Level of empowerment and hierarchy of individual
- Scope of task and nature of project
- Status of destination development
- Cultural differences and attitudes
- Alliances “at the table”, Group think
- Trust

3. Stakeholder Participation in Tourism Destinations

Two Reasons for participation

Fuel the process



Idea Management stage

intellectual capacity, creativity, specialist knowledge, different perspectives, feasibility, funding, best practice etc.

→ selective

“Ownership” of the results

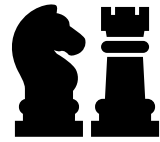


Execution stage

decreasing resistance, acceptance, commitment, finance, implementation, permission, opinion leaders, influencers

→ inclusive

4. Conclusions



Define objective! Core questions are:

Focus: “Innovation” or “Stakeholder Management”?

→ Destination Governance primarily defines structures and processes, Guiding principle/mission statement dilemma questionable, continuous improvement and development is not equal to innovation

Where: Destination in general or business holders within?

→ Innovate within destination and offerings or initiative to help local enterprises to innovate? (intellectual property, scalability problem)

Which **competencies** to be involved at what stage of process?

→ Innovation output depends on empowerment of change agents, on capabilities of individuals involved and less on the participation process and governance

Consider values and cultural/geographical context

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