Tourist destination and territorial competitiveness: a closer look from geography to territorial competitiveness and the role of the territory as a competitive factor

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Abstract

The main objective of this text is to ponder the topic of territorial competitiveness in tourism through a geographical perspective. After a general, conceptual, theoretical analysis of competitiveness and territorial competitiveness, the tourism industry was approached to undertake a specific scientific analysis of tourist destination, understanding this as how the spatial organization of the production and tourist consumption take place. This theoretical destination reality involves the existence of complex geographical relationships that influence competitiveness and that are, to a great extent, external influences for the companies working in the field. Consequently, it can be stated that there is territorial competitiveness in tourism, which is conceptually different from all other individual competitive aspects of each company operating in a given geographical area; as well as the importance of territorial geographic factors, understood from the quantitative and qualitative point of view, when defining said competitiveness.

Keywords: Territorial competitiveness, tourism, tourist destination, geography.

JEL codes: Z320.
Introduction

This work offers an introduction to the concept of competitiveness in tourism industry from a geographic perspective. The considerations herein are structured around whether, within the general framework of tourist competitiveness, there is a reality such as competitiveness in a specific manner from a territorial perspective. In other words, is competitiveness in one territory (in this case, a tourist destination) conceptually different from the total of individual competitive aspects among the companies located and operating in that specific geographical area?

Thus, and without this being the essential objective of this text, we will begin by considering the economic concept of territorial competitiveness, to then approach specific territory competitiveness of tourist destinations. For this initial approach, rather than contributing new ideas, or even an in-depth consideration of a lengthy and complex debate\(^1\), the aim is to establish a series of basic ideas that will later allow us to consider the territorial specificity of tourism as an economic activity, based on new tourist development models, and more specifically as the destination as the spatial organization of tourism production and consumption. The objective of this line of thought is to underline the importance that these socio-spatial aspects, external to the firms, have over other productive processes in the tourist destination competitiveness. Therefore, the underlying question is whether or not the territory and its various elements are a significant factor to determine or influence, at least in part, the various levels of competitiveness of a given tourist destination.

In foresight, the answer to this question is yes. Both from the standpoint of the current social theory, as well as from the many case studies carried out, it is generally accepted that a territory—not understood as a given physical-natural fact, but rather as a socially constructed product that includes physical aspects but also a social-cultural reality—is an active variable in all competitive and developmental processes. That is to say, the available territorial resources and the spatial organization of the production process—at least equally significant—influence the individual competitive success of the companies. At the same time, this spatial organization of the production process also influence the general competetiveness of the territory as a whole, at any scalar level to which they were analyzed.

If a significant percentage of the scientific literature agrees with these considerations for most economic activities, the affirmative response to the question presented above is usually much more compelling in the specific case of tourist destinations. This is the case to the extent that it evidences how, in the tourism industry, the territory plays an especially active role within the production and developmental process. The result of this greater territorial complexity in tourism is the configuration of the tourist destination as the overlapping of several layers, in which the production and consumption areas, and even the product consumed must be considered to the

\(^1\) Read more in a recent, in-depth analysis of tourist competition models and their differences by Rodríguez Antón, J. M. (2015), pages 111 – 184.
extent that this has a territorial component (Barrado, 2004). Understandably, if this geographic complexity of tourist areas is accepted, it is obvious that its qualitative and quantitative variables are important competitive factors for businesses and consequently, they will influence territorial competitiveness.

**Competitiveness and territorial competitiveness: the role of a territory as an independent variable for development**

As pointed out above, an in depth analysis of the different approaches and perspectives that have been carried out from the economy field to the concept of competitiveness will not be carried out herein (Crouch and Ritchie, 1999; Hong, 2008; Aranguren & Wilson, 2014; Rodríguez Antón, 2015); nevertheless, it is important to emphasize that there is no generally accepted definition. However, for the most part, the emphasis is placed on productivity aspects, such as the capacity to create improved quality and better priced goods and services to be successful on international markets (or national markets, as in the case of regional competitiveness) in exchange for higher income. This, in turn, would allow other goods to be imported, would improve better wages and in the end would facilitate a greater general well-being.

In turn, from the standpoint of geography, and therefore emphasizing the roles that the territory presents in innovation and development processes, we can distinguish between two main approaches. On the one hand, neo-Schumpeterian type economic visions focusing on companies’ internal factors, and for which the territory is slightly more than a passive subject upon which these companies are located. On the other hand, there are other approaches which, upon perceiving the concentration of competitive businesses in a limited amount of space, point out that the development of said environments must be, to a great extent, the results of a territorial setting with specific characteristics favoring innovation processes (Albertos et al., 2004).

In an interesting study that analyzed the concept of territorial competitiveness, R. Camagni (2002) starts from the dichotomy between the aforementioned internal and external approaches to offer a counter-argument to the theories that challenge the importance of this idea. The question is: To what extent is the competitive capacity of a business influenced, at least in part, by the geographical context where it is located? Or does it depend exclusively on internal decisions that ignore any socio-spatial reality? In keeping with his theoretical analysis, Camagni (2002) defends the influence of territory as a significant variable, pointing out that there is competition between territorial destinations to attract external investment, obtain market share or by definition of their productive role in the division of work on the national or international scale. In this sense, the concept of territorial competitiveness is justified based on two, different approaches for the concept of territory.

On the one hand, there is a conceptualization that could be called “traditional” and that is based on the importance that the territory has, as a dependent variable, in the provision of resources and production factors that companies could use
it could be said that this is based on “the role that territory plays in providing competitive environmental tools to individual companies” (Camagni, 2002: 2395). Indeed, the most traditional approach attributed to the territory from economic geography accepts the fact that the territory is part of the productive process, whether as fixed capital assets—generally understood as the land occupied by the various processes—or as a production factor in the form of natural resources and various instruments operating as comparative advantages in accordance with the ideas of Ricardo. Moreover, and essential for this more traditional vision, the territory must also be understood as a space-time of access, either as the origin of resources or markets, and depending on this, as cost. This forces one to take into consideration significant concepts for business and territorial competitiveness such as location and accessibility.

Moreover, one must admit that although these have not disappeared completely, these aforementioned traditional, conditioning, geographic factors of competitiveness have slowly lost importance due to processes derived from globalization, such as the hypermobility of certain production factors (capital, human resources), or a decrease in transportation costs and a reduction or elimination of tariffs and duties with the progressive integration of markets. In short, what has happened is a decrease in economic importance that the friction of distance to access resources and markets had as a factor to be considered in productive processes. Consequently, this affects the determination of competitiveness of a certain business or region.

The second aspect that justifies the existence of true territorial competition is much more novel. It is a matter of understanding the territory and the resources that are available, such as historic, cultural and socially constructed facts and not just as pre-existing physical-natural realities (Barrado, 2014). Based on this new assessment, the territory is starting to be seen as an essential factor “in the processes of knowledge accumulation and in the development of interpretative codes, models of cooperation and decisions on which the innovative progress of local companies is based” (Camagni, 2002, 2396). As a result, it is an independent variable that is external to businesses in the innovation, development and competitive processes.

This conception of territory as a socially constructed fact gives it an enormous complexity and explanatory potential, among other aspects, from the standpoint of its role in the way production is organized and in the generation and dissemination of innovation. In this regard, traditional concepts such as human or natural capital are substituted for others, more novel aspects to support innovation and competitiveness, including social, cultural or environmental capital (Albertos et al., 2004); all of them considered to be relational and idiosyncratic capitals and linked to a society, a time or a specific space and that therefore works towards spatial rooting of the productive processes developed, in comparison with the already mentioned hypermobility of many of the traditional production factors.

In fact, while mass production is, to a great extent, supported by generic resources that tend to be evermore ubiquitous and mobile, new developmental models are based on specific resources, anchored and unmoved (somewhat more significant
in the case of tourism, as will be seen further on) to the extent that their value is based on a set of environmental, social and cultural relationships that depend on a territorial basis (Albertos et al., 2004). In summary, territorial competitiveness—the efficiency and productivity of individual firms and a whole production area—depends upon a number of factors, including, but not limited to the existence and mobilization of territorial capital that incorporates tangibles physical variables (natural and heritage resources) and infrastructures. But it is also important the presence of social aspects (institutions, associations, governing systems) as well as cultural aspects (shared symbolism, recognition), relational aspects (confidence, tactic knowledge), human aspects (creativity, economic capital) and cooperation networks (transactions, dissemination of innovation), to mention a few (Camagni, 2002). As can be easily derived from the incomplete list included, neither all of the capitals are transferable, but rather, they are connected with the social-spatial matrix known as territory, nor are they directly marketable as products or services on national or international markets.

**Territorial competitiveness and tourism**

If, as indicated above, there is not generalized, accepted definition regarding the reality of territorial competition, the same is true when analyzing scientific literature focused on a specific sector such as tourism. However, as J. Mazanec et al. (2014) recently pointed out, there is a degree of consensus in the case of certain definitions offered by J. Ritchie and G. Crouch. These two authors have contributed most in this field, in the sense that what makes a “tourism destination truly competitive is its ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destinations residents and preserving the natural capital of the destination for future generations” (Ritchie and Crouch, 2003: 2).

It is significant that when discussing competitiveness in the tourism industry, as seen in the previous quote, it is standard practice to refer to competitiveness not of individual businesses, but rather of the general destination\(^2\). Thus, it seems implicitly accepted that the social-spatial matrix where the industry develops is, on the one hand, an essential aspect to determine individual business competitiveness, and on the other hand, that the competitiveness of the territory as a whole—that is, the destination—has an independent and differenciated significance that the combination of the different individual competitiviness of the independent firms. In other words,

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\(^2\) Understood scientifically as the spatial organization of tourism production and consumption; the concept of destination is highly complex (Barrado, 2004; Ávila & Barrado, 2005). Further on in this text, these topics will be approached as the basis to justify the importance of territorial competitiveness in the case of the tourist industry, based on the importance that geographical factors have in general destination competitiveness.
destination competitiveness is a reality of its own, differentiated from the sum of the numerous competitive positions of individual firms. In some analysis (Pardellas, 2006; Mazanec et al., 2014) of the various contributions that have appeared, it is common to highlight aspects focusing on micro competitiveness; however, after that “competition between companies and their aggregation, the analysis of the macro determinants of their productivity and growth [tend to be extend] to the regions” (Pardellas, 2006: 72).

Consequently, the norm is that from among the list of various factors included in the models created to measure a destination’s competitiveness (Pardellas, 2006; Mazanec et al., 2014; Rodríguez Antón, 2015) together with aspects linked purely to internal business productivity, a multitude of criteria appear focusing on both the touristic value of the territory (such as the supplier of resources that operate as an attraction factor and comparative advantage) as well as on institutions and processes linked to the management of said territory and the spatial organization of production (territorial planning and administration of the destination, resource management, infrastructures and support factors, inter-business cooperation, productive chains, etc.).

This work will neither analyze the various factors included in the many models, nor enter into the weight attributed to these factors when trying to measure territorial competitiveness. Rather, this work will channel on more recent assessment of these matters, together with the proposal of a new model by J. M. Rodríguez Antón (2015). Simply stated, a summarized grouping by M. Enright and J. Newton (2004) is presented, following the proposals of G. Crouch & R J. Ritchie (1999), who divide the list of factors presented into four main categories:

– Core resources that generate the attraction, such as physiographic, cultural or historic elements in the territory, understood from the quantitative and qualitative point of view.
– Supporting factors and resources constructed to allow a successful tourism industry, as would be the case of hotels or infrastructure.
– Destination management, including the already mentioned factors and the relationship among institutional, economic and social agents.
– Qualifying determinants that could positively or negatively modify the role of the factors listed above, but that are not a strict part of the tourism industry, although they essentially affect competitiveness, such as in the case of security.

As can be seen, those that fall within the category of core resources have a greater or lesser measure depending on geography. Therefore, they could be considered elements that influence territorial competitiveness, as they are essential attraction factors included in tourist products. However, should we limit these aspects, we would be reducing this analysis to the most traditional vision of economic geography, as mentioned in the first section regarding the role of the territory as a factor that influences the production and competitiveness of a given sector or industry. It seems
obvious that support factors would be included, as they have a territorial base and generate socio-spatial relationships. These, at the same time, involve management processes (regional planning and management of natural and cultural resources) that are included in the aforementioned categories with the corresponding geographic implications.

Apart from indicating and underlining geographic factors that influence tourist competitiveness, the concept of destination has to be stressed. This concept needs to be understood as an essential element within the production and consumption process, but from its complexity as a district. This district is a socially produced space based on a specific spatial organization of the tourism production and consumption. Subsequently, an essential part of the sector’s competitiveness derives from being endowed with initial values (the comparative advantages in keeping with the considerations by D. Ricardo), but also by how these values are managed based on the inter-relationship of stakeholders (the competitive advantages of M. Porter) and the territorial results generated.

Endogenous development and spatial organizational production systems: local productive systems in cultural and tourist activities

Some of the aforementioned aspects imply a new vision for development. Generically, this vision could be grouped under the concept of endogenous development, supported by the role of the territory, not only as physical support, fixed assets and as a provider of natural resources, but also as a true stakeholder that generates a breeding ground that favors the transmission of external products, services and information, external to specific companies, but internally in the district where these companies are operating. If in that district there is both an awareness of belonging (social and cultural relationships that favor proximity and communication) and a productive tradition that facilitates training and knowledge of a specific sector, innovation processes are generated as in internal competition. These, on the other hand, converge in an outward concurrence that reduces transaction costs between businesses to favor efficiency and continued dissemination of innovation. This, in turn, generates not only external economies of scale for businesses, but internal economies for the productive system (Vázquez, 2000).

The first references to the spatial organizational of production forms, other than the large vertical companies, are from economist Alfred Marshall. At the end of the 19th century, he differentiated between internal and external economies. In his opinion, external economies, once they have a series of common productive factors that allow for the reduction of costs, explain the concentration of specialized firms in specific locations. These theories are renewed as of the 1960s with the Fordist industrial

(3) The contents of this section may be expanded by reading Barrado, 2014.
production model crisis, which led to the recovery of interest in the industrial district concept as a flexible organization and growth format. This layout is based more on external agglomeration economies and in small companies (Santagata, 2006) rather than on large companies and vertical integration (Simmie, 2001). In this regard, contributions by G. Becattini must be mentioned, such as the industrial districts of the Third Italy or the ‘milieu’ or innovative environment developed by the Groupe de Recherche Européen sur les Milieux Innovateurs (European Research Group on Innovation Millieus) – GREMI – (Bramanti, 1998) must be mentioned.

Local productive systems and spatial organization of production

In accordance with L. Lazzeretti (2008), the organization of such districts, or the structure of such districts implies configuring business clusters according to the theories of M. Porter. This is to say, geographic concentration of companies and institutions that develop an alternative way of organizing the chain of value compared with the transactions between disperse buyers and sellers, but without the problems that are inherent to random relationships and without the inflexibility of vertical organizations (Porter, 1999). Hence, if the concepts of district or agglomeration imply geographic concentration, the term cluster places the emphasis on the ties and organization among companies (Navarro, 2003). In any case and despite the difficulties to define the scope of relationships among companies in spatial terms, it seems undoubtable that spatial and social proximity is essential to establish relationships and transmit implicit information and knowledge while at the same time give the products the symbolism and the idiosyncratic nature inherent to cultural creation linked to a given territory and society.

This system for the spatial organization of production has proven to be especially effective in certain economic sectors, such as cultural activities and tourism. It is much clearer as of the mass production crisis that began in the last decades of the 20th century. Thus, the spatial concentrations of businesses are seen that are interconnected both horizontally and vertically, which facilitates the productive chain between suppliers and those offering services and intermediate goods, reducing transaction costs in virtue of networks of implicit confidence with an elevated socio-cultural and geographic component.

The reason why this type of agglomeration economies connected with the socio-cultural and geographic matrix are especially effective in cultural or tourist sectors can be pinpointed in the idiosyncratic character of the services produced. Indeed, the anthropological roots of culture, the connection of historic or natural heritage that these sectors use as their main resources greatly hinder the separation of the produced goods and services from the social and territorial structures to which they are connected. In fact and with the above being generally true, we will soon see how it is especially important—in the case of tourism—the distinction that may be established between those systems that produce goods in which the creation and production
process may be separated from the distribution process and those that produce services that have to be consumed in situ depending on their symbolic value. Therefore, this set of elements creates spaces linked to tourism and recreational-cultural consumption. In this last case, there must be continuity between the specific scene, its social infrastructures and its productive vocation (Scott, 2004). This is what makes such activities especially important for endogenous development and territorial competitiveness, to the extent that they use their own, non-transferable resources to construct services that are consumed on the production site. This is the case of tourism; it is an activity that as will be seen herein, is highly idiosyncratic in nature. Accordingly, it could be especially apt to encourage endogenous territorial development processes.

**Symbolic cultural consumption and territorial competitiveness**

The reason why certain goods and services become idiosyncratic and therefore non-movable arises when they absorb a symbolism derived from their cultural values. Some authors, including Australian economist D. Throsby (1999: 2001), have spent years conceptualizing a new type of capital—cultural capital. He defines cultural capital as the stock of cultural value included in an asset that increases the economic value of goods and services produced with that capital, above simple functional attributes. Cultural assets, whether tangible such as a building, or intangibles such as traditions, productive practices or beliefs, allow the creation of goods or flow of services that incorporate those symbolic assets that increase their functional value.

These are the values that make up a society’s cultural capital. This values allow unique and differentiated goods and services to be created, all of which are linked to a specific culture and territory. Moreover, in some cases, the symbolic value is encapsulated in a product and is transferable with that product, but in the case of services, it becomes a flow that requires consumers to be taken to the production location, thus connecting its possible developments and its competitiveness directly to the territory. Culture is idiosyncratic; it is directly linked to a time and a space; therefore, it is rooted and not transferable. That way, it invigorates true cultural values and touristic development. It is one of the best guarantees for “territorial anchorage of socioeconomic innovation” (Albertos et al., 2004: 31).

The aspects pointed out in the previous paragraphs, and many more in the case of tourism, present the need to reinforce the territorial perspective (understanding this concept in the already mentioned complex manner) in developmental processes, competitiveness and tourist innovation. The adoption of principles linked to culturally rooted, endogenous development means accepting a framework of analysis that considers a wide range of questions that go from environmental to territorial questions, as well as social, cultural and even institutional questions; undoubtedly economic and internal perspective of the firms (or companies) must be taken into account as well, as their abandoning is not being advocated. This mandates a new scale of analysis, where the main unit is no longer the company, but rather the
territory, understood as a physical reality, but also as a social, cultural and institutional reality.

The tourist destination (district) as a geographic reality and as a consumed and produced space

Going from the business level to the territorial level when analyzing competitiveness and development implies not only “viewing in a different way the scale of production, but also associating the social component with its economic counterpart when explaining the possibilities that a company has for organizing its own productive process and for obtaining benefits that do not depend exclusively on market relationships” (Sforzi, 1999, quoted by Albertos et al., 2004: 22). Indeed, competitive success and the development of a regional or local system require the productive capacity of companies that settle on it, but also a complex set of assets and resources. As already pointed out, these assets and resources must be considered idiosyncratic and range from natural or cultural factors understood as comparative advantages to institutional density, coordination systems, shared implicit knowledge/know-how or systems to access markets and/or suppliers, without overlooking location and providing infrastructure and services (Albertos et al., 2004).

If that analysis of the regional or local scale is important when it comes to analyzing competitiveness in general, it is even more important when wanting to consider the possibilities of tourism to participate in an endogenous development process. The first reason explaining the need to present the development of tourism from the territorial perspective and not from the business point of view is the complexity of what is generally known as a tourist product. A tourist product is composed of a set of services and goods that are usually offered by a variety of companies, more or less linked together, but organized, because of their geographic connection and shared implicit knowledge/know-how; that is to say, based on geographic, cultural and social aspects.

Apart from that productive chain, the main purpose of this set of goods and services offered in situ—known as tourist product—lies in facilitating knowledge and enjoyment of a series of natural and cultural resources; basically, all or part of the territory and all or part of the society and the culture with which the product interacts.

The territory as a space for tourism production and consumption

In line with the above, the consideration of territorial competitiveness of tourism necessarily implies thinking about what and how the tourist space operates. In other

(4) The contents of this section may be expanded by reading Barrado, 2004 and Ávila & Barrado, 2005.
words, one must consider the socio-spatial relationships generated by that activity. These relationships—as several authors have indicated (Barrado, 2004; Ávila & Barrado, 2005; Vera et al., 2011)—entail a series of attributes or characteristics that differentiate tourism from other economic sectors.

Tourism is a sector whose final motivation largely depends on enjoyment or carrying out activities linked to resources, which, in many cases, are geographical/territorial, or involve geographic relationships. This entails a series of features, such as the impossibility of moving many of these tourist resources, as they are relational and idiosyncratic, namely, they are linked to a specific time (culture) and space (geography). At the same time, it is impossible to transfer the tourist products made with these resources. Undeniably, in all services, and in essence that is what tourism is, the production process coincides in time and space with consumption. In the case of other services, these are produced where the actual demand is located. When it comes to tourism, consumers must go to the location as the services provided cannot be moved; these specific services are built around resources that stem from cultural, esthetic, entertainment or recreational values that can neither be moved nor accumulated (Barrado, 2011).

Depending on the parameters for assessing the resources mentioned above, which require maintaining more or less intact socio-spatial and temporal relations, these resources are not “extracted” from their geographic matrix to be included in the tourist products. The latter are to be constructed around the resources, where the result is that part of the territory generated from the production process is included in the product consumed by the end client (Barrado, 2004).

The consequence is a complex relationship between the concepts of comparative advantage (dependent upon the endowment of resources) and competitive advantages (dependent upon the skill for added value of those resources). Undeniably, the difference between selling a resource as a raw material and selling a transformed product implies the generation of added value to compensate the decrease in the initial capital. However, in the case of tourism, the transformation and the sales of products do not translate into the tourist taking home part of the natural or cultural resources, in which case it is an activity that does not involve a decline in the initial endowment, despite the fact that consumers have paid for them. Understandably, everyone knows that in said production and consumption process, different (or many) externalities are produced (in fact, they are produced quite frequently), which leads to a reduction in the basic endowment of the territory (Crouch & Ritchie, 1999).

This translates in a coming and going of crucial repercussions for this issue, given that any changes introduced in production territory are also introduced into the consumption territory, as well as into the consumed product, thus acting positively or negatively on the perception and on all levels of tourist satisfaction and therefore, territorial competitiveness.
The concept of tourist destination (district) as a territorial, social, productive and competitive reality

In accordance with spatial organization of the tourism industry as discussed herein, there are two spheres in the tourism creation and consumption process. It is from the interaction of these two spheres that a destination arises (Figure 1). One is socioeconomic and sectorial; this is not fully developed at the location to where tourists go, as part of the process takes place at origin. In fact, the tourist production-consumption begins well before the tourist leaves his/her home. The second sphere is the geographical one, including resources as well as general and tourism infrastructure used by tourists. It also includes many other elements that by no means are included in travel agent strategies nor in the visitor’s experience.

Figure 1. The concept of tourist destination

In consequence, neither does the entire product form part of the destination, nor does the destination coincide exactly with the territorial environment where it is located and of which it is a part. What happens is that with the production process and tourist consumption, a new, differentiated, socio-spatial reality is generated, which is the destination. At the same time, it participates in sectorial and territorial aspects. Accordingly, it must be understood as a sub-system formed by the junction of spatial (territorial resources, infrastructure, facilities, etc.), administrative and
institutional (legislation, political, governance) and productive (production factor and resources, agents, investment, networks and productive connections, etc.) elements, as well as by the set of their inter-relationship and the effects they produce. These effects are, for the most part, sectorial (goods and services produced and consumed \textit{in situ}) and geographic (new landscape realities, changes in the prior territorial relationship, perception of the territory, images, environmental externalities, etc.).

This interaction taking place at the production and consumption site, between the territorial and sectorial spheres, needs to be understood as a different and exclusive reality of characteristics for the spatial organization of the tourism industry. It is a new reality within the secant space between sectorial and territorial spheres (Figure 1), but at the same time, it is a system, or rather, a sub-system made up of two sub-spheres and the relationship they establish.

Apart from the theoretical interest in the issue, the concept of destination is important from a practical point of view, given that most of the industry’s challenges—from competitiveness to sustainability (which, as will soon be seen, are directly linked together)—play a role in this reality where an important part of the relationship between supply and demand is sustained. This is where most of the implications of tourism lie, whether geographical, economic, social and cultural. Consequently, surely more than any other productive process, the quality of the production territory (environment, heritage, landscape, etc.), “territorial heath” as it has metaphorically been called on more than one occasion, has an enormous impact on the quality of tourism products, and therefore on competitiveness.

Furthermore, it is not only the pre-existing territorial resources of the destination used by tourism that influence their final success, but rather, it is the set of territorial relationships produced—to the extent that they influence the destination—that ends up having an influence on competitiveness. Undeniably, destinations become the stage for the interaction of touristic stakeholders, who build their products based on the geographic characteristics of the destination and the relationships they establish with other institutional and economic agents.

As a result and apart from the new territory that is produced—which to a certain extent is introduced in the marketable and consumed product—tourist development and competitiveness depend on the ability to establish and maintain collaboration networks among the various stakeholders and agents. These, in turn, to a greater or lesser extent, and to a greater or lesser degree of responsibility, make up a reality that is as complex as the tourism destination itself.

Destination as a form of spatial organizational for the tourism industry: the role of space in collaborating networks among stakeholders

The creation of collaborative networks implies an attitude and cooperative behavior among businesses that would normally be competitors. The same holds true for agents and organizations that are bound not only by economic ties, but
also geographic, social and cultural ties, in the most ample sense of the word. The medium and long-term competitive success of a destination, especially emerging destinations and those that are not part of the masses Fordits tourism, is only possible if the various stakeholders establish internal competitive relationships that guarantee maintained quality and continued renovation of acceptable prices. Coming to terms with this internal competition—which should be encouraged—allows a true destination to be constructed from integration and concurrence in the light of external competitors; to achieve this, the territory itself, the destination, plays an essential role (Ávila & Barrado, 2005).

In this sense, vertical business networks are of major importance. These are composed of supply chains and customers of intermediate goods or services. In the case of tourist destinations, these vary from intermediation and marketing to accommodations, catering as well as events, recreational and cultural activities. It is a matter of enlisting the set of economic agents managing simple products—such as accommodations—to cooperate in the creation of products and complex aggregates with a greater attraction and profitable capacity. The idea is to build complex experiences with the ability to attract demand to any of the scales being considered.

The second type of networks, based on their organization, is horizontal, with other firms from the same sector or sub-sector. Although they compete internally, they concur as one externally. In this sense, the essential relationship, upon which the network is established, is geographic, derived from spatial and social proximity. In an effort to be competitive in the medium and long-term, this obliges all of the stakeholders to accept coordination principles. These same principles compel stakeholders to implement systems and levels of quality based upon minimal principles and development processes without hindering diversity.

Both the vertical and horizontal collaboration networks give rise to what has been called local productive systems. Typically, the organization of local productive systems in the tourist industry, especially micro destination, is a network of small, inter-dependent and specialized companies around one or several products. Although these companies compete with each other, they have collaborative systems based on specific rules (Albertos, et al., 2004). Well beyond the beneficial effects that are generally attributed to competition, such cooperation and collaboration allow a certain degree of product density to be achieved in that destination, which increases the election capacity and favors an increase of average stays and tourist fidelity.

But to energize and encourage these collaborative networks among agents, whether touristic or not, means showcasing an essential part of the territory’s cultural heritage, as in the case of social and cultural capital. Translated to the tourist destination, these relationships imply the ability to create and continually redefine what is known as destination awareness. This means implementing internal communication systems focusing on awareness, both local public and private agents (whether or not they are directly involved in tourism) as well as the local population as a single unit. This facilitates one of the most important processes favoring collective development in that it encourages learning and innovation, especially the dissemination
of that innovation throughout the territory. In innovation geography terms, this is known as territories that learn.

Moreover, the creation, functioning and continual readjustment of these networks is indispensable to maintain a series of efforts and processes over time that facilitate the development of the innovative destination as a complex and integrating reality that is much more than the simple management of products by existing companies. So, for collaboration networks among stakeholders—whether or not these are economic in nature—to be truly effective in the transmission of products, services, information and innovation, these same stakeholders must perceive that there is something more that is above and beyond their individual business that groups them together both economically and socially. They need to understand that their individual success as entrepreneurs depends on their joint competitive success (products, brand, image, and symbolism).

**Geographical scales, sustainability and quality of life: destination competitiveness and territorial management**

Based on the above, one might conclude that tourist destinations are complex realities, constructed as of production and consumption relationships established by the network of agents, who mobilize a variety of resources to create products that are launched onto the market for *in situ* consumption. An important complexity arises from that complexity of the destination reality when it comes to managing competitiveness. Without seeking to deepen into this issue—as it is not within the scope of this text—the idea is to point out at least two essential aspects for the competitive management from the geographic perspective.

The first is that this set of processes that have been seen, their spatial and sectorial consequences, as well as the competitiveness of each one of them, could be analyzed and/or managed at very different geographic scales: from the national to the local level, without forsaking the regional scale. Certainly, if the jump from a micro scale—internal to the company—to a macro scale—for territorial production—has been defended here, one must consider that those territories are also scale realities. They are now understood strictly from the geographic perspective; they are “in a multi-level context, so their competitiveness is affected by policies and the interrelationships of the various territorial units” (Aranguren & Wilson, 2014: 526). In fact, while in this text the discourse maintained favors regional and local scales, an important part of the existing competitive models has focused on the national scale.

As a matter of fact, this scaled approach is basic in geography, but it is necessary to remember an essential aspect that is rarely taken into consideration. The greater or lesser scale not only means zooming the focus in or away from the analysis, but rather, as the scale changes, so does the importance of the various elements, stakeholders, processes and relationships making up the system.
So, in this particular case, and on a local scale, explicative competitiveness factors, such as the relationship between agents or specific negative impacts that might have risen in the resources at the time of creating products, seem to gain importance. At the same time, other aspects lose importance such as connective infrastructures or tourism-related legislation. On the contrary, at the national level, aspects such as infrastructures, environmental legislation or security gain greater importance while factors such as implicit proximity relationships that impact the confidence among agents becomes less important.

Thus, those factors that influence territorial competitiveness on a national scale may be useless when attending a specific regional or local destination, and vice versa. At the same time, the management needs of each to reinforce competitiveness are different, and of course, the stakeholders involved in the process. Not taking this scale perspective into consideration—both to define models as well as to manage specific tourist destinations—entails problems when establishing significant variables and priorities for territorial competitiveness.

The second of these aspects to be highlighted is that from an essentially geographic perspective, the territorial competitiveness of destinations may not be measured exclusively from the standpoint of corporate results. There must be objectives that transcend society in general, to the extent that the “mere market success does not capture the complexity of the relationships and objectives of the people living in the territory, [in which case] the competitiveness of a territory has multiple facets” (Aranguren & Wilson, 2014: 528).

Of course, at least two factors, while being economic, are marginalized from what could be called strict accounting in the form of costs and benefits, such as well-being or quality of life and sustainability. In fact, both aspects could be subsumed with economics in a wider perspective of the sustainability concept. This, in accordance with the most orthodox meanings, must attend environmental, sociocultural and economic sustainability.

Proof of the importance of these factors is that both could be the cause as well as the consequence of territorial competitiveness. This is to say, to advance in those aspects will have a positive influence on destination competitiveness and improvements in competitiveness should translate into advances in terms of destination sustainability and quality of life for the population. As specifically pointed out by quotes from G. Crouch and R. Ritchie, “to be competitive, a destination’s development for tourism must be sustainable not just economically, and not just ecologically, but socially, culturally and politically (2000: 5).

Conclusion

From the theoretical point of view, there is still an open discussion among economists who admit the existence of true territorial competitiveness, from those who, such as Nobel award winner Paul Krugman, criticize the theoretic terms from the
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The concept of competitiveness in the business world is extended to the territorial world (Camagni, 2002; Pardellas, 2006). However, from the geographic perspective, it seems beyond all doubt the theoretical acceptance of the region, or the territory, as a dynamic entity with economic importance, not just as a simple combination of inputs and outputs.

Territorial competitiveness seems clearer in the case of tourist destinations, to the extent that most of the competitive factors are—as seen herein, geographical-territorial and relational (environmental, social, cultural, political, institutional, etc.). Thus, these are external elements for companies, whose management in terms of quality and competitiveness must be carried externally by agents that are not exclusively economic, within the scope of destination and on the adequate territorial scale.

This approach is coherent with the existence of what has been earmarked as “spatial turn,” which questions both the traditional understanding of spatiality as well as the assumption that geography would disappear as a significant variable of socioeconomic processes with globalization. On the contrary, what has happened is that the nature of the space as a social construction has been recognized, in addition to the various frameworks that operate simultaneously (Middell & Naumann, 2010); basically, this translates into “the recovery of the experience lived of the space” (Pedregosa, 2014: 34) and in the actual space. What is really happening is that when distance and location lose importance, it is the individualized and unique textures of each social space that become an essential differentiation factor; from there, they become a potential attraction factor.

When all of the spaces are accessible at similar temporal and economic costs, only the most attractive are chosen as spaces to produce and consume, based on a series of aspects that are necessarily external to companies that therefore become territorial competitiveness factors.

References


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