

# Integration as a Tool of Destination Management – The Case of Rural and Rural Fringe Areas

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It is well known that the organizational structure of the Slovenian tourism industry is changing. Tourist companies are merging, but unfortunately only a few companies empowered their capital structure and market position, so in a way we can talk about an oligopoly. The situation does not favor rural and rural fringe areas, where an underdeveloped tourism economy cannot represent a solid source of income for many tourist farms and other tourist companies. Integration is a scientifically and professionally proven method for empowering businesses. Integrative destination management, which provides the tool for tourist destinations development, aims at sustainable tourism where the community collectively develops and runs the tourism economy. This paper examines the possibilities for the development of business integration as a basis for the successful implementation of destination management in the Mislinja Valley. A survey has been conducted, where two thirds of the tourist companies in the area were investigated in relation to the destination management and tourism opportunities in the area. Analysis shows that the business environment accepts the idea of integration as a tool for empowering the regional tourism industry, however only interest integration appears to be acceptable at this time.

**Key words:** rural tourism, integrations, tourist destination, destination management

## Integracije kot orodje managementa turističnih destinacij: primer podeželskih in obrobni območij

Opazamo, da se organizacijska struktura slovenskega turističnega gospodarstva počasi spreminja. Gospodarski subjekti se povezujejo, a na način, ki krepi le nekaj korporacij in tako se na nek način ustvarja oligopol. To prepočasi rešuje problematiko nerazvitih in tudi že ogroženih podeželskih in obrobni območij, v katerih pa ravno turizem lahko predstavlja najprimernejšo dopolnilno gospodarsko panogo. Integracije predstavljajo preverjeno in učinkovito metodo krepitve poslovnih in organizacijskih odnosov med posameznimi gospodarskimi subjekti, ki lahko nastajajo kapitalsko ali interesno. Koncepti integrativnega destinacijskega managementa, ki predstavlja orodje razvoja turističnih destinacij, težijo k trajnostno naravnemu turističnemu gospodarstvu, kjer povezani turistični subjekti skupaj razvijajo in vodijo turizem. V članku preučujemo možnosti integriranja turističnega gospodarstva kot osnove za uspešno delovanje destinacijskega managementa v Mislinjski dolini. Z raziskavo med 52 poslovnimi turističnimi subjekti na območju Mislinjske doline, smo iskali možnosti za razvoj integracij, kot vzpodbudne in v svetu priznane metode krepitve gospodarstva. Analiza je pokazala, da poslovno okolje sprejema idejo o integriranju, pri čemer se izpostavlja predvsem ideja o interesnem povezovanju.

**Ključne besede:** podeželski turizem, integracije, turistične destinacije, destinacijski management

## 1 Introduction

Due to the increased competition and low personal income on the demand side of the industry, integration has become a way of stabilizing or even boosting tourism con-

sumption through the competitive supply of tourism. Numerous takeovers, particularly capital integrations on the production level<sup>1</sup> of the travel industry (touroperators), aim to subjugate the entire travel industry. Tourism suppliers at the destination must integrate and increase their

<sup>1</sup> The production level includes touroperators, who merge in order to increase their business volume which increases their negotiating power with suppliers. They tend to buy individual travel services (travel components) in advance and in large volumes, and the volume and continuity of demand promise lower prices.

negotiating power against the touroperators. Beside solid negotiation power, integrated supplier networks help to create more attractive tourist products and services. Integration can appear on either a capital or interest base, though capital integrations demand fresh investments, which rural areas and suburbs lack. On the other hand, interest integration and networks have no particular demand for financial capital. They do, however, demand a high level of interests for solving problems and achieving the goals of integrated tourism development. Beside the abovementioned managerial and organizational aspects of integration, we must refer to the very important aspect of the purpose of the new integrated tourism body or structure. In most cases rural and rural fringe areas are severely deprived, both demographically and economically. Their large dependence on traditional rural activities (e.g. agriculture, stockbreeding, fruit growing etc.) often hinders the vision of expanding or supplementing existing tourism activities. The integrated tourism development approach stands for a new way of managing a tourism destination that faces and solves not only the economical problems of the area but also the problems of insufficient tourism infrastructure (e.g. accommodation, food outlets, human resources, marketing tools etc.). Destination management does that in an integrated way that empowers and intercedes for sustainable tourism. Mislinja Valley is in the initial stage of tourism development. The Slovenj Gradec municipality (MOSG) is developing the idea of a sophisticated and high quality spa and wellness resort, which could be understood yet as another attempt to develop tourism, though numerous sources ready to be used as tourism products (nature, woodland, Kope ski resort, culinary, historical sites etc.) remain unutilized.

Tourism companies have not yet developed capital or interest business networks, so we were trying to determine the opinion towards integrated tourism development within the influential area of Mislinja Valley. We were investigating the attitude of the local tourism companies towards integrated destination management as a tool for successful and accelerated tourism development. This paper examines the scientific and empirical findings in the area of integrated tourism development in rural and rural fringe areas. These findings are then applied to our research. Special attention is given to analysis of earlier empirical studies in the area of integration as a tool for tourism development according to the principals of destination management.

## 2 Rural and Rural Fringe Area Tourism

According to Roberts and Hall (2001), rural tourism presents about 20% of overall global tourism activities. Scottish rural areas are especially attractive to senior and middle class tourist, who happened to spend less than other tourist segments (Frochot, 2005). Rural tourism encompasses all types of activities that are being designed in order to attract tourists, whose consumption will add to the rural economy, in most cases supplementing the agri-

cultural economy. In most cases it does not differ significantly from other forms or types of tourism (Kloeze, 1994; Slee et al., 1997; Lobo et al., 1999; Doyle & McGehee, 2002; Thomson, 2004). Numerous professionals and scientists understand rural tourism in strong interaction with agriculture - and some even look on it as an alternative to agriculture (Fleischer & Tchetchik, 2005). The fact is that tourism in rural areas is not necessarily related to primary rural economical activities (e.g. agriculture, stock breeding, fruit production, etc.), instead it can only be a type of tourism that is set up in rural or rural fringe area (Sharpley & Sharpley, 1997; Getz & Page, 1997; Slee et al., 1997; Thomson, 2004). Mislinjska Valley has many small settlements (called 'celek') where only a minority of the population practices agricultural activities. However there is a broad natural environment offering many opportunities for tourism activities. Nature offers the basis for products that can satisfy the need for inner peace, fresh air, tranquility, relaxation and recreation; all being elements that today's society seeks. The tourist farm can only be a starting point for many untypical farm holiday activities, which could be merged with the surrounding environment (Getz & Page, 1997; Fleischer & Tchetchik, 2005). On the other hand, other people say that farmers and agricultural activities can be an important element of tourism directly within such an environment, which is undoubtedly affected by the local culture (Slee et al., 1997; Walford's, 2001; Nilsson, 2002).

Sharpley & Sharpley (1997) name the most typical types of tourism that could be referred to as rural tourism or tourism of the rural fringe area. Several other terms are in use, such as agritourism, farm tourism, wilderness tourism, green tourism and ecotourism. Rural area tourism is a reflection of the local culture and has a significant impact on local life, the local economy, the local physical and social environment and the overall pace of life (Rátz & Puczkó, 1998; Roberts & Hall, 2001; Thomson, 2004). Roberts and Hall (2001) argue that tourism can be an important contributor to the progress of the local economy, though it is not convenient for all types of areas.

Sustainable tourism advocates the preservation of local resources in their original shape and form and it also enables their renovation and functional serviceableness for tourism purposes (Roberts & Hall, 2001; Howie, 2003; Choi & Sirakaya, 2006; Hunter & Shaw, 2007). The latter is particularly important for areas that are less damaged - or not damaged at all - in terms of natural and cultural resources and whose resources are being primarily used for agricultural activities. Unfortunately the global scientific and professional publics have not yet reached a consensus on the elements or indicators for measuring sustainable tourism (Twining & Butler, 2002).

Choy & Sirakaya (2006) argue in favor of the concept of sustainable community tourism (SCT), composed of the ecological, social, economical, political, cultural and technological dimensions of the influential communities. An integrated local community will reach the level of sustainable tourism when and only when all the affected subjects reach a consensus on sharing input and output. It

is essential that the entire local community is treated as partners within the tourism development process. Initiators must see that all the partners understand the objects and goals of tourism (Getz & Jamal, 1994; Choi & Sirakaya, 2005). The fundamental positive effects of tourism are related to the preservation and renovation of infrastructure and the demographic and economical problems of the rural and rural fringe areas.

Rural tourism is being interpreted as soft, alternative, green and responsible tourism (Slee et al., 1997). The Slovenian tourism strategists who wrote the Slovenian short-term tourism strategy define rural tourism and ecotourism as one of the three fundamental areas of future tourism development in Slovenia (Uran & Ovsenik, 2006: 32).

## 2.1 The Integrated Development of Rural Tourism

The fact is that the environment, which has primarily been used for agricultural economical activities (e.g. rural and rural fringe areas) is facing economical and demographical problems. Beside this, the elements and means for rebuilding the economy of rural and rural fringe areas are insufficient, which is why we understand integration as a means of empowering a weak economy and as a source of fresh innovative ideas that could benefit these areas.

In the early 80's many authors foresaw and warned of the necessity for an integrated tourism economy. Murphy was referring to the communal voice, a concept that was to illustrate how important it is for the local community to be involved in the process of tourism development. In his opinion, tourism must become a part of the local social integrity (Taylor & Davis, 1997). The cohesion of the local host community is one of the leading reasons and elements that influence the basic tourism development processes within a specific tourist destination. That cohesiveness must be supported by the government, who represents an important partner responsible for legal elements,

licensing, subsidization, education, fiscal policies, marketing, promotion etc. Namely, these are the very prevalent areas that businesses in rural and rural fringe areas lack in (Butler et al., 1998; Hall, 2000; Evans et. all, 2003).

Gunjan (2005) says that networking or integration is based upon the search for knowledge, empowerment and motivation. However, the objectives and interests of tourist companies entering the business network may be diverse and therefore they may themselves be the very obstacles in the path of project realization. Tourism companies do integrate on different foundations and the main objective should be to meet the needs of the tourists (Crofts et al., 2000). Inevitably it must be understood that rural areas mainly depend on agriculture and stockbreeding and the rural fringe areas mainly represent housing for the urban labor force. Tourism is always a secondary activity - or a so called economical alternative - however promising a one. Discussing the justification of tourism evolution in these areas should therefore transform into the process of identifying the main sources that could meet the needs of the contemporary tourist market (Weaver & Lawton, 2001; Williams & Lawson, 2001), which could unfortunately aggravate the development processes (Evans et. all, 2003). Some tourist companies will immediately identify promising tourism opportunities while others will not. Some individual companies are inclined towards integration whilst others are not, so it is important to understand the main reasons for the business retention of individual companies. Ovsenik & Ambrož (2002) talk about auto-poetic and syspoetic business systems, where syspoetic are inclined towards integration. Auto-poetical organizations have difficulties opening up to the external business environment and therefore scarcely enter into any business networks. Some of the reasons for the hesitation to integrate can be related to the organizational structure of the individual company, where they basically face the lack of resources for creative networking<sup>2</sup>. Waddock (1989) has been arguing for some opportunities and benefits of organizational integration. He warned that independence, profits and position are major terms that

Table 1: Local community grouping organized by attitudes towards tourism

AUTHOR	FACTORS	GROUPS
Andriotis & Vaughan, 2003	Educational structure Employment	Advocates Socially and Environmentally concerned Economic skeptics
Weaver in Lawton, 2001	Time of living in the community Life standard Environmental factors	Supporters Neutrals Opponents
Madrigal, 1994	Socio-economical factors	Haters Lovers Realists

<sup>2</sup>The rural economy is full of small family-owned businesses with limited cadre and a simple organizational structure. Due to that, many of them have difficulties satisfying the organizational and operational specifics of a new integrated tourism developing body. Secondly, they are also more confident with their own sources and knowledge than those of the integrated body, which is reason enough to decline entering into a wider business network.

must be discussed so that the company can participate effectively and prosperously within the new organizational structure of the tourism economy. Crotts et al. (2000) have been pointing out called 'ready- aim – fire' alliances that rise and collapse over the night. The main reasons for such an end are lack of initiative in development plans.

According to many researchers (Cohen, 1993; Getz & Jamal, 1994; Madrigal, 1994; Pearce, 1995; Weaver & Lawton, 2001; Andriotis & Vaughan, 2003), the local community consists of several sub communities. The existence of these sub communities depends heavily on the relationship that individual has towards tourism. Prentice, (1993), King et al. (1993), Madrigal (1994), Jurowski et al. (1997), Bramwell & Lane, (2000) found out that, in the long term, the local population changes its relationship with tourism or some of the elements of it. This is why it is important when the initiative for integrated tourism development is introduced. An integrated approach towards negotiating the pros and cons of tourism and some of its elements promise greater success than individualism. The integrated body must therefore recognize and promote the future of tourism and its dependence on the local host environment, especially essential in areas where the majority of the economy are family owned businesses. In such a businesses, one person has a multi-personal role; namely the 'landlord' is the owner/manager/founder of the company as well as an individual member of the local community. This situation entitles him to two votes when developmental plans are put to the vote in a local community meeting.

Due to the fact that the economy of rural and rural fringe areas mostly consists of these small family owned companies, the social roles of the people involved are unavoidable. Such interweaving social roles demand that the local economical and civil environment is understood as integrated and interrelated. The attitude towards tourism namely depends on the benefits that tourism brings to the individual. As a manager, the individual is representing the local tourism company and looking for profits, which demands development and products diversification. At the same time, the same manager is also a local citizen looking for peace and quality of life, without any tourism if necessary. Such conflicts of interests most likely prolong and aggravate the development process.

Long-term tourism success is conditional with an appropriate integration process that includes all the major parties (e.g. local economy, local population, government and tourists). If any 'silent groups' (passivists) appear, they must be immediately invited to participate otherwise there is a risk they might convert into opponents of tourism (Taylor & Davis, 1997). In short, the entire local community must be involved in tourism development and none of the individuals should remain indifferent.

Williams & Lawson (2001) discovered that personal beliefs and characteristics have a greater impact on an individual's attitude towards tourism development than demographical elements. The benefits of an integrated local community, involving all levels of the community (legislative<sup>3</sup>, supportive<sup>4</sup> and production<sup>5</sup>) are diversified. Most of the benefits are related to the finances, competition, sustainable development, tourism supply, preservation and development of the living environment, as well as the equality and democratization of the economy etc (Jamal & Getz, 1995; Timothy, 1999; Burroughs, 2000; McCool & Moisey, 2001; Payne et al., 2001).

Rural areas will benefit from tourism only where the needs for alternative income sources overgrow the current local capacities. At the alarming stage where there is an obvious need for alternative sources of economical stability and prosperity, the local community will begin critically assessing the opinions and attitudes towards tourism. In such a situation, tourism will most likely be supported fully, but even so, critical debating over any possible negative impacts on the environment will be reviewed (Andreck & Vogt, 2000).

Factors related to the quality of life due to tourism in rural areas have no major impact on the attitude towards tourism, because people in these areas have no need for amusement parks, adrenalin parks, fun parks, golf courses, promenades, wellness centers etc. All important elements of developed tourism. Newcomers to the environment, on the other hand, have escaped from the urban areas where the tourism infrastructure is more common. They appreciate the pure nature environment, which is another factor of dispute against the development of tourism.

Many researchers focused their research interests in the area of the attitudes of the local community towards tourism (Mitchel & Reid, 2001; Weaver & Lawton, 2001; Williams & Lawson, 2001; Andriotis & Vaughan, 2003). Their conclusions are all related to the so called *input vs. output* effect, which has a crucial impact on community attitudes. If the local residents will be profitably involved (financially) in tourism, then they will be in favor of it (Berno, 1999; Mitchel & Reid, 2001; Andriotis, 2002). In the case of a discernible negative environmental and economical impact (foreign labor import, the rise of the prices of living goods, parking availability, air pollution, the traffic regime etc.) a negative attitude will appear.

## 2.2 Tourist Destination Management and Integrations

The management of a tourist destination is a universal strategic approach for achieving the competitiveness of the destination on the global tourist market, where the

<sup>3</sup> Organizations and subjects inclined to the interests of the municipality and government.

<sup>4</sup> Different NGO's and civil associations that advocate the interests of the local community, including the ones in favor of the development of tourism.

<sup>5</sup> Tourism entities and enterprises that primarily advocate the economical benefits of tourism.

leading role is given to the tourists. In this relationship, we understand destination management as the process of stimulating the development of high-quality integrated tourist products. Tourist destination management actuates the process of planning, organizing, performing and realizing the development of tourism (Swarbrooke & Horner, 2001: 64; Evans & et. al., 2003; Uran & Ovsenik 2006: 42). Additionally, it is important to emphasize that destination management is one of the major elements of the strategic tourism development document, which was imposed by the Slovenian government and which will be a guiding document for the period of 2007-2011. This precise document (RNUST) plans to increase activities in the direction of developing tourism on the principles of integrated destination management, which makes this topic even more interesting. Juvan et. al. (2005) argue that the existing literature on destination management ascribe it the following functions:

- Organization,
- Development and
- Operation,
- all in relation to tourism development.

Among the impactors on the successful implementation of destination management, one can identify the attitudes of the local population, the organization and use of available tourist resources, communication of the image of the destination and the organization of the destination in the sense of integrating tourism (directly and indirectly) related entities. Networking or integrating becomes a vital part of tourism development, as it not only solves organizational issues but also issues related to the content of the tourism offering. O’Roirdan (in Hall & Page, 2005: 109) talks about so called resource management and interprets it as a process for deciding how to allocate the available resources in relation to space and time, which all corresponds the needs of the local population. Ovsenik (2003) interprets destination management as having four major pillars, saying that the tourism environment is formed by people, legislation, the tourism economy and the environment. Destination management here presents a tool for the successful integration of the interests of each individual pillar with those of the others, thus successfully managing the tourism economy. Additionally, destination management also recognizes and meets the needs of the tourists; hence it merges the interests of the fourth party with the particular tourism environment. For the purpose of bold and sustainable tourism development, it is necessary to establish an integrated body (destination management company, destination organization, destination bureau etc) that will take over the destination management and meet the interests of the above mentioned destination management pillars. One similar approach has been developed by Newson et.al. (2004), who interpret joint management as a method for the effective and sustainable management of a tourist destination. This type of managing for sensitive or protected environments is trusted to a public agency in most cases.

### 3 Methodology

The attitudes of the tourist companies towards tourism development in Mislinja Valley were measured using a questionnaire based on a preliminary survey by Ovsenik (2003), where he focused on area of the Slovene Alps. We were particularly interested in the attitudes of the tourist companies towards tourism development on the principles of integrated destination management. Attitudes were measured through independent variables using a 5 point Lycart’s scale. The data collected was processed using the Microsoft Excel software and SPSS, ver. 14.10, using descriptive and frequency analysis. The following hypotheses were tested:

- H<sub>0</sub>: the local tourism economy considers tourism as a perspective branch,
- H<sub>1</sub>: the local tourism economy is inclined towards integrated tourism development,
- H<sub>2</sub>: the local tourism economy is inclined toward integration on an interest basis,
- H<sub>3</sub>: the local tourism economy supports the idea of establishing a modern integrated tourism body – the Destination Management Organization.

To set up the population sample, we considered service variety the company’s business development stage, the company’s primary business orientation etc. With regards to the fact that this was the first survey of its kind within this area, so companies did not had any experiences in this matter, we decided to personally distribute the questionnaires. We supported it with an in depth explanation of the survey and the questionnaire, hoping to get a more realistic output. We did not participate in the process of questionnaire completion., Firstly we informed the companies of the survey using a phone call, invited them to participate and set up a meeting time. The sample investigated represents 44% of all the tourist companies within the Mislinja Valley.

### 4 Analyses

#### 4.1 Sample Description

52 tourist companies participated in the survey, which represents less than half of all the tourism related companies at the time of the survey. Companies were selected at random using the standard classification of economical branches (SKD) to include only businesses related directly and indirectly to tourism. Non profit organizations (NGOs) and civil associations related to tourism development (e.g. the tourism association, association for cultural activities etc.) were also included. The survey was conducted in municipalities (yes survey included two different neighboring municipalities) of Slovenj Gradec and Mislinja, both forming the Mislinja Valley. A full third of the sample are businesses within the catering industry (e.g. restaurants, inns, taverns etc.), followed by accommodation establishments (hotels, lodging houses). A minority of the sample consists of travel agencies, event management

companies and tourist farms. Nonprofit organizations present a lesser share than profit-making ones (e.g. tourist associations). A full tenth of the entire sample has a history of 15 years within the tourism sector and almost a third would fit between six to ten years of operation. As per analysis, almost two thirds of the companies use some form of integrated development process and they also market tourist products in an integrated manner.

The prevailing share of the sample includes accommodation establishments, food establishments and event management companies (fig. 1). A third of the companies are engaged in the food and beverage business (e.g. pubs, pizzerias, restaurants, fast food, confectionaries etc.). A fifth of the companies are involved in events (e.g. associations for cultural activities or associations for the promotion of arts). A minority of the sample are sports associations, craftsmen, restorers etc.

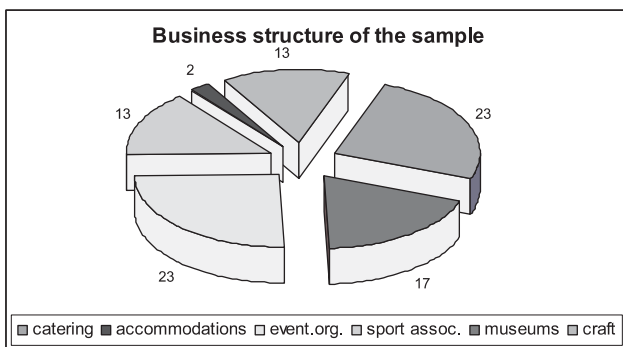


Fig 1: Business structure of the sample

## 4.2 The Perception of the Tourism Economy

The respondents were evaluating the current situation within the tourism sector. Individual statements were to be evaluated on a Lycart's scale where 1 means 'I don't agree at all' and 5 means 'I completely agree'. Respon-

dents supported the idea of an integrated tourism region of Koroška, which is far beyond geographical borders of Mislinja Valley (table 2). Such an extension would certainly increase the variety of tourism products and the resources for new ones. The threat of negative seasonal effects within Mislinja Valley would decrease and the integrated destination of Koroška would definitely be able to cater for a wider tourist market and more diverse tourist segments. Current business was evaluated as successful, yet there are still many opportunities to improve the situation<sup>6</sup>. Respondents are convinced that they can improve business results, which implies a high level of positive self-criticism. As table 1 shows, respondents criticized the professional cadre available. Under these circumstances, Mislinja Valley has no significant position within the national tourism industry and the existing tourism demand is stagnating. Due to insufficient integration and cooperation within the tourism sector, the destination is somewhat disintegrated and inhomogeneous.

Table 2 presents the results concerning the opinion on the importance of business integration within the destination. Respondents used a Lycart's scale (1 to 5) to evaluate statements about the importance of integration for their company. The mean is rather high (4.46) and confirms the positive attitude towards integrated business development. Based on the standard deviation (.85), we see a high level of unity of opinion. This understanding of the necessity of integrating and merging with other companies, promises that certain forms of integrated business networks could arrive in the near future. The basic purposes of these networks should be the development of attractive tourism with a sense for sustainability. Almost all of the companies (89 %) either agree or totally agree with the idea that integrating with other is vital for future success.

The respondents were asked to define the most acceptable type of integration that would best fit their organizational and business structure. Two types of integration

Table 1: the perception of the tourism industry

Evaluate the following statements concerning your destination	Mean	Standard deviation
There are possibilities of extending the destination into wider Koroška region.	4,09	1,11
We can be satisfied with our current business outcomes, yet we could do a lot better.	3,24	1,08
The development goals for the integrated destination of Mislinja Valley are precise and determined.	2,62	1,05
The level of professionalism on the part of the cadre is satisfactory.	2,49	0,95
This destination has a sufficient number of tourist products.	2,26	1,02
The growth of domestic and foreign visitors is satisfactory.	2,20	0,98
This destination is well branded within the country.	1,85	0,92
This destination is organized and homogeneous.	1,81	0,97

<sup>6</sup> The average occupancy rate within the accommodation sector in 1994-2004 was 10 %.

Table 2: The necessity of integrating

Do you agree that integrating with other companies is urgent for the successful operation of your and other tourism companies within the Mislinja Valley?				
value	2,00	3,00	4,00	5,00
frequency	3,00	2,00	13,00	30,00
percentage	6,12	4,08	<b>26,53</b>	<b>61,22</b>
<b>mean</b>	<b>4,46</b>			
<b>Standard deviation</b>	<b>0,85</b>			

were offered, with capital integration demanding mutual investments and most likely the promotion of a new integrated tourism body. The other type of integration is interest integration, a type of *think-tank* for tourism development, based on some sort of membership alliance. Almost

two thirds of the respondents are in favor of interest, while less than a fifth was for capital integrations (see table 3). It must be emphasized here is that almost two fifths of the sample consists of non-profit organizations (associations, clubs, unions etc.) with limited or no possibilities for

Table 3: Type of integration

What type of integration is most acceptable to your company?	Frequency	Percentage
Capital (investing in a new tourism development body)	8,00	16,33
Non-capital interest integration	<b>39,00</b>	<b>79,59</b>
Total	47,00	95,92

capital integrations at all. On the other hand, a low fifth did support the idea of capital integrations, which could lead to the establishment of a new integrated tourism body (e.g. a destination management organization). A newly passed law on Private/Public Partnership enables public, private and civil entities to become partners in newly established DMO.

Does the tourism economy of the Mislinja Valley support the idea of founding an integrated tourism body that would be responsible for integrated tourism development? The question was passed onto the respondents and yes, they were quite united in their support for such a tourism organization. The ranked means (see table 4) show that the main thread of such a tourism organization should be integrated tourism destination marketing. With an average mean of 4.46 (std. deviation .81), they share the opinion that such an organization should be respon-

sible for the diversity and quality of tourism products. This organization should also be responsible for all short and long-term developmental planning as well as for new market penetration strategies. One of the approaches towards improved and more successful integrated tourism development is an integrated tourism brand for the entire region and this should also be one of the tasks of the integrated tourism body (e.g. destination organization, destination management company etc.).

### 4.3 Key Findings

The analysis of the tourism economy of Mislinja Valley revealed that tourism is perceived as a perspective brand and that attitudes towards business integration shows a reasonable positive leaning, which is supported by the ex-

Table 4: Advanced tourism development organization (Destination Management Company)

What benefits do you expect for your organization and the destination from the integrated tourism body such as Destination Management Company?	Mean	Standard deviation
Increased quality and diversity of the tourist services and products of the destination.	4,46	0,81
An accurate and unified tourism development strategy.	4,39	0,87
The formation and marketing of the integrated tourism brand.	4,37	0,83
Penetration of new tourist markets.	4,29	1,01
Decreasing the costs of integrated marketing and destination promotion under a new integrated tourism brand.	4,20	1,07

expectations that an integrated tourism body would improve the current tourism image of the region. These ascertainment show that the near future should bring some sort of integrated tourism development, though only on an interest basis. Nevertheless, there is no definite guarantee that such an integration will emerge. The new integrated tourism body would primarily operate as an integrated marketing organization responsible for the tourism development strategy and its implementation. The tourism business sphere recognizes the government as being passive or even inactive in the process of tourism development, so the civil organizations will have to take over the initiative for the integrated tourism development policy. At long last they do represent the strongest interest-based civil body in region. Solutions for a successful integrated development policy are to be found as soon as possible, for they are grounds for successful integrated and sustainable tourism development.

In the period when the national structure of tourism is being reorganized, we see these findings as positive. The tourism economy is in favor of interest networking, which is less risky than the capital form and hence less effective - or at least fairly rigid in achieving developmental objectives. A lower fifth of the population was in favor of capital networking, which could be understood as the beginning of a new and fresh investments period, being especially needed for the accommodation sector. Given the fact that the respondents accepted the idea of the incoming tourism positively and as a promising economical branch for the region, and that the accommodation sector urgently needs some capital influx, it is fairly urgent that interest in capital integration increases.

The respondents recognize the need for a new integrated tourism body (e.g. a Destination Management Company, Destination Organization, Destination Bureau etc.). They believe that the body should be responsible for the development of tourism products, tourism promotion, the introduction and marketing of a new integrated tourism brand, penetration into new tourist markets and the deregulation of mutual marketing expenditures for the entire region. The respondents supported a new special local tourism tax, which would cover the financing of such and integrated tourism body. The support for this idea can be interpreted as a positive foundation for the newly passed law on public-private partnership, where civil, private and public subjects can cooperatively join together in private business projects (e.g. tourism development). Regarding the above, we can accept or confirm the hypotheses, though many new questions related to the successful sustainable tourism development strategy are still to be investigated.

## 5 Conclusions

In its evolutionary phase when society seeks opportunities for economical welfare, a variety of opportunities for empowering small economies are welcome. If development plans ignore sustainable directives, the society will soon

be incapable of servicing the increased demand (labor or sources) and the outcome will soon be inadequate to the society. At that point we can talk of the double negative tourism effect. In the case of tourism this process is even more explicit, because the economy is driven by the culture of the investors, the consumers and the host culture. If all parties are willing to listen and respond appropriately, reciprocal cohesion can be achieved. Undoubtedly the unquestionable following of market demand will satisfy the needs of the consumers, but under such a strategy, the tourism sources will be at stake. Tourism runs under the pressure of tourists, managers, economists, capitalists and the local community and these rarely share common ideas and expectations. The tourism economy of the Mislinja Valley shows some signs of development, though supply and the demand side show signs of spontaneous tourism. The respondents vote in favor of interest integration - networking with no obligatory elements. Obviously there are undefined conflicts that hold back further development processes, which raise the question why there is no integrated tourism development yet? We assume that the small companies share a distrust towards the big companies that might gain from tourism development on account of all the parties involved in the process. Another problem leading to apathy probably lies in the size and the organizational structure of the companies. The majority of the companies are small budget companies who prefer interest based networking as they lack the basic elements for capital integrations.

The main objective of integrated destination management lies in achieving a positive and creative business climate, which can help empowering small family owned tourism companies and can develop Mislinja Valley as either an autonomous tourist destination or an integrated tourism destination for the Koroška region. This creative business climate would enable the sustainable development of the local community in the sense of quality leisure opportunities for both locals and tourists as well as in the economical sense.

Tourism is an economical branch that can make the area attractive to live in, so it can be understood as a tool for improving the critical demographic situation of the rural areas. Therefore it is necessary to develop homogeneous living communities, where the local population and the tourism economy can develop better living conditions side by side and with a sense for environmental issues. The government must use any instruments to dispel the impression of being apathetic in terms of tourism development, but nevertheless local interests must be above the national ones. Development must follow the needs of the local community, which must preserve pure nature, though there are also needs for economical improvements. On the other hand, the government could use quality of cadre as one of the stipulations for developmental subventions. Such an approach would certainly improve the quality of tourism services and increase the chances that governmental subvention would be used properly.



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