

SUSTAINABILITY DEVELOPMENT AND COMPETITIVENESS OF ROME AS A TOURIST DESTINATION

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Abstract

Objectives – The aim of the paper is to study the sustainability level of the city of Rome (Italy) as a tourist destination. The paper’s basic assumption is based on the fact that, compared to other international tourist destinations, Rome is high on the list as far as the number of international visitors is concerned, yet it is not the city at the top of the list.

Design/Methodology/Approach – The methodology used is that of case study research (Yin, 2003). The results will be evaluated by applying the Weaver model (2000, 2011). According to Weaver, the competitiveness of a tourist destination depends on the level of sustainability of tourism development.

Originality/Value – Sustainability implies that tourist destinations are governed and managed in such a way as to satisfy the expectations of the visitor in accordance with the socio-economic and natural environment in which such destinations operate. Thus the management of the sustainability of the destination is an essential ingredient in the development of the entire surrounding area. As a tourist destination, the city has made great efforts to diversify its offer to visitors, including new infrastructural, cultural and sport facilities in order to enhance its attraction as a tourist site, and as a result, to encourage new businesses and provide employment.

Practical Implications – The relationship between sustainability and competitiveness is based on the belief that businesses that pursue environmental and economic and social performance improvements may benefit from these activities.

Keywords Destination management, destination governance, sustainability, innovation, competitive advantage

INTRODUCTION

In 2010 European Council agreed to the European Commission's proposal to launch a new strategy for jobs and growth - the new European Union strategy for smart, sustainable and inclusive growth - “Europe 2020”. This has led to a new concept of the competitiveness and a deeper relationship between sustainable development and competitiveness.

Developments in the economy and in the society open up new business opportunities. Over the past few years, the recent downsizing of tourism in the world was accompanied by a significant change in the qualitative and quantitative aspects of tourist supply and demand: tourist enterprises appear to be rethinking their traditional technical - organizational models.

As far as the demand is concerned, tourist companies are getting more and more involved with 'elite' tourists, both Italian and foreign, who are well aware of the quality of the "leisure time" they devote to tourism. Such tourists seek an emotional experience and a genuine encounter with a territory, as well as a closer relationship with the local inhabitants. From the point of view of the supply of services, the need to satisfy tourists' many and varied requirements has led to the creation and the development of specific business formulas in terms of accommodation, which are in line with the changing needs of the tourists and with due respect for sustainability.

There is no doubt that, in order to monitor and regulate the dynamics that are emerging in the tourism sector, we must begin with an analysis of the issues of governance and of how both the tourist destination and the tourist company are to be managed. Only in this way, we will be able to understand the direction in which companies are moving when compared with the developments in progress (Weick, 1969; Lewin and Volberda, 1999; Coles et al., 2013). Tourist companies evolve along with destinations in search of competitive advantage; after all, the companies are seen as crucial resources for the development of the territory. Knowing how to manage this process of evolution is becoming increasingly imperative as well as how to encourage cooperation as to shared objectives, in both intention and behaviour, between all the parties concerned within a given territory.

Also of major importance is the ability of tourist companies to perceive and evaluate the external environment, which requires professional and responsible answers. This might represent a possible source of creativity for a more sustainable development. An important role of tourist companies, therefore, is to know how to care for the needs expressed by tourists who visit their competitors' tourist destinations, so that they can plan appropriate strategies which take into account the evolutionary dynamics that are taking place (Nahapiet and Ghoshal, 1998).

1. FRAMEWORK OF THE RESEARCH

The relationship between tourist destinations and the environment demonstrates that sustainability is relevant to competitiveness of destinations. The win-win link between sustainability and competitiveness is based on the belief that businesses that pursue *environmental* and *economic* and *social* performance improvements may benefit from these activities.

As competition is increasingly developing on a global scale, tourist destinations have to act more like businesses than they have done in the past. Development in the tourism sector has often been beset by ambiguities and contradictions, especially in the last twenty years, and has been the subject of debate across a range of disciplines in terms of its sustainability and level of social commitment.

Being able to manage the relationship between the tourist and the service offered is no longer enough; the factor that has become imperative is the ability to control the relationships among all the tourism sector's stakeholders who, in one way or another, contribute to the offer. Under this perspective, the competitiveness and sustainability of

a tourist destination depend on how much each tourist company can compete with rival tourist destinations, both at a national and international level (Hall, 2010). This necessarily means that each destination not only does it need to establish its own operating limits within a given territory, but above all to provide for some form of governing body - either public or private or a mixture of both (Coles et al., 2013), which can develop a strategic plan aimed at increasing the quality of both the companies and the local tourist attractions (Ritchie and Crouch, 2003; Valeri and Baiocco, 2012).

The tourist destination is conceived as a system of government and management of the relationships among business actors aimed at consolidating and increasing its competitiveness, at national and international level. The tourist destination is competitive if it is able to propose an innovative system of offer and improve the quality of the accommodation. In this complex competitive context, sustainability represents the tool that firms operating within the tourist destination sector have for the attainment of competitiveness. Competitiveness implies that the tourist destinations are governed and managed to satisfy the new experiences of the tourist.

As well as specifying the features of the different ways of analysing a tourist destination (tourist demand - side approach and tourist supply - side approach), management literature in the tourism industry also deals with the problems and methods of managing a tourist destination (Fu Chen and DungChun, 2007). The establishment of an authority of governance is of fundamental importance for the competitiveness of a tourist destination. The governance of the destination can be conceived as a system of decisions and actions aimed at consolidating, and over the time improving, the competitiveness of the destination, and defining clear and shared development goals among all parties in the tourism industry.

Establishing a governing authority for a destination is not always straightforward and depends on the specific features of each destination. In particular, there is no single person who can be chosen as the strategic coordinating authority of a tourist destination. The governing body has to record and appraise the tangible and intangible elements that make up the cultural identity of a destination and compare them with those of rival destinations, whether local, national or international (Timur and Getz, 2008). This is true on the assumption that decisions are directly or indirectly fully agreed upon by the governing bodies of each company or each destination, and that all decisions are made with a view to improving the attractiveness and competitiveness of the destination.

Governance does not involve only shareholders, but also other people with a vested interest in the tourist destination (e.g. managers or service providers) and/or a direct interest in it - here we are referring to the 'stakeholders', bodies or organisations that have an important role in the area where the destination is located. Some of these factors (for example suppliers or tourist service industries) have an effect on the actual function of the destination, while others generate public interest towards the destination, such as state organisations or citizens' associations (Pechlaner et al. 2012).

The setting up of a governing body is a necessary step in creating a combined tourist offer within a tourist destination, but in itself, it is not enough. With this in mind, the governing body should be supported by a meta-management unit whose specific task is to guide the tourist companies in the destination in a direction that is coherent and strategic. Such a unit would support but not replace the governing body, and have the definite aim of furthering strategic decisions that are shared by all parties concerned, both public entities and private individuals, who interact with one another within the tourist destination.

As is the case for tourist companies, managing a tourism destination is not an easy task. The difficulties lie in how to best organise decision-making processes and how to allocate resource-controlling powers within the tourist destination. This can be the case in destinations that are arranged according to a strict hierarchy, with a well-defined managerial and procedural centre of gravity, as well as in destinations of a *corporate* or *community* type (Bieger, 1998; Flagesta and Hope, 2001). Both of them have different ways of programming their tourist offer, and consequently have very different governance issues.

In corporate-type destinations (e.g. theme parks, tourist villages, resorts, etc.), the tourist offer is designed by a company which, directly or indirectly, controls the tourist attraction resources of the destination through contractual arrangements. In this case, the destination takes on the form of an actual business, whose governance problems are no different from any other tourist organisation. In community-type destinations, on the other hand, it is the territory and not the company that offers a series of natural and man-made attractions on the tourist market. In this case, governance is decidedly more complex, since the attraction resources do not belong to one single company, but to several independent businesses, each of whom is pursuing specific goals in terms of investment policies and profit generation. Here local institutions are of crucial importance to the competitiveness of the tourist sector. They control the attraction resources, both natural and man-made, and can provide funding for the tourist offer as far as regards sustainability.

Since the introduction of the concept of sustainable development by the Brundtland Commission (World Commission on Environment and Development, 1987), several techniques for monitoring performance and assessing progress towards sustainable tourism have been suggested (Schianetz et al., 2007a). Much of the discussion focuses on life cycle assessment, environmental management standards (Chan and Wong, 2006), sustainability indicators (Choi and Sirakaya, 2006; Twining-Ward and Butler, 2002), impact assessment (Warnken and Buckley, 1998), multi-criteria analysis (Zografos and Oglethorpe, 2004) and relationship between sustainable development and competitiveness (Balkytė and Tvaronavičienė, 2010; Chien-Min et. al., 2011). However, assessment procedures for sustainable tourism practices should also reflect the dynamic nature of both sustainability and tourism, the relationships and interactions among multiple stakeholders each with unique sets of knowledge and diverse and divergent views (Jamal and Stronza, 2009; Saarinen, 2006).

Sustainable development is "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*" This definition, contained in the Brundtland Report of 1987, is nowadays widely accepted, and can be applied to a wide range of social and economic conditions, whether they be emergent or undergoing transformation; it also includes three basic aspects of development: economic, social and environmental (Buckley, 2012). Sustainable development must take account of, and combine, three fundamental principles or objectives: *economic efficiency*, *social efficiency* and *environmental efficiency*.

Economic efficiency means furthering one's institutional aims without losing sight of the fact that improvements can always be made through investing in innovation, so as to increase one's competitiveness, obtain adequate economic returns and generate well-being and prosperity for the local community. It thus becomes important for companies to operate with the maximum efficiency in order to be effective in the long term. Social efficiency involves respect for the individual or the community, by guaranteeing equal opportunities for all. For a company this means maintaining a proper relationship with its workforce and with all the other stakeholders, above all with the local community in which it operates, and whose needs and expectations it must try to satisfy. Environmental efficiency for the company means respect for and protection of environmental resources, especially those that are non-renewable or that are essential for human survival. Attention must be given to the natural heritage and therefore to the rational use of resources, avoiding damage to the environment and the balance of nature (Schianetz et al., 2007b).

The above definitions show how fundamental is, on one hand, to care for the territory and respect its social and environmental balances, in particular its ecology, its economy and its culture and society and, on the other hand, to govern it according to strict criteria of efficiency and effectiveness, and by systematically involving the local community in all decision-making processes. Both tourist companies and destinations can survive if they become an active part of the region, working for it and with it, without compromising it or damaging it in any way. Neither should the ethical importance of innovation be overlooked (Saarinen, 2006).

It follows that social responsibility and the associated possibility of competitive advantage play an important part; tourism can become sustainable as long as it has a strong ethical underpinning. In current Italian business administration thinking, there is a strong tendency towards the possibility of running a business and affecting consumer behaviour based not simply on economic or functional considerations but above all on ethical principles and a sense of responsibility towards future generations.

According to Weaver (2000; 2011), the competitiveness of a tourist destination depends on the level of sustainability of its tourism development. This sustainability can be acquired if there exist certain well-defined conditions of *tourist intensity* (the ratio between the number of tourists and residents, the number of employees, the amount of accommodation and the average length of stay), and of *regulation* (tourism legislation, laws on the protection of the natural environment, respect for the needs of residents and the safeguarding of the local cultural heritage). These conditions must be

satisfactorily met and seen as primary factors in the assessment of a destination's level of competitiveness.

The interaction of these two conditions gives rise to a four-quadrant matrix; each quadrant describes a possible sustainable developmental level for a tourist destination:

- a) *Unsustainable Mass Tourism* (UMT) is of high intensity and a low level of regulation. Since economic interests exclusively prevail and there are a relatively weak approach to social and environmental protection issues, the territory undergoes a massive development of its tourist structures and infrastructures, with little consideration for its eventual impact;
- b) *Sustainable Mass Tourism* (SMT) refers to the stage of development and reinforcement of the destination, in case of both high intensity and a high level of regulation. The need to accelerate the economic growth of the region through tourism is balanced by precise limits on its exploitation of the environment and its impact on society;
- c) *Deliberate Alternative Tourism* (DAT) belongs to the exploratory stage of development of the territory, with low tourist intensity and a low level of regulation. Any growth in tourism is offset by the desire to conserve environmental resources and maintain the region's socio-economic and cultural balances;
- d) *Circumstantial Alternative Tourism* (CAT) is typical of the early exploratory stage of the destination, where there low intensity and low regulation exist side by side. Tourist development is still unplanned and lacks any form of procedures to encourage or support tourist attractions in the territory or the development of tourist accommodation or services.

The two factors in the matrix, *tourist intensity* and *regulation*, can be used to describe the sustainability of alternative models of tourist development, and to monitor or manage how they evolve over longer periods. Tourist intensity, measured by tourist flows, can help distinguish patterns of niche tourism (CAT and DAT) and patterns of mass tourism (SMT and UMT). Tourist flows are generally lower in niche destinations and higher in mass destinations. The factor of regulation of flows and of incentives to improve quality, on the other hand, can help recognise the sustainability (DAT, SMT) or non-sustainability (CAT, UMT) of both models. Niche destinations (DAT) are sustainable if they are capable of attracting segments of sustainable tourist demand and of applying regulations that safeguard the natural surroundings and the local culture. In the case of sustainable mass destinations (SMT) the high level of regulation makes it feasible to manage consistent tourist flows and keep them within the load-bearing capacity of the local culture and environment. Without an appropriate level of regulation, mass destinations become non-sustainable (UMT) when the limits of the territory's capacity are exceeded, whereas niche destinations (CAT), because of their smaller demand, are incapable of developing economically; in fact, only by introducing an appropriate regulation such destinations can pass beyond an exploratory level of tourist development. According to the model described by Weaver, mass tourism and niche tourism are not conflicting models; they can both converge towards forms of sustainable tourism if they are organised on managerial lines.

The inadequacy of the variables that define the above conditions is clearly due to the lack of responsibility of whoever is in charge, either of the tourist companies or of the territory. What is significant is the way in which *intensity* and *regulation* combine and interact each other. The levels of regulation should increase dynamically so that they can guarantee a sustainable development for the destination by themselves, independently of the level of tourist intensity. The more environmentally and socio-economically oriented that regulation becomes, the more competitive the destination will become in the market, regardless of the quantity of tourist flow. On this basis Weaver created a matrix which can be seen as a useful methodological framework for analysing the sustainability of Rome in developing tourist markets. Weaver's model can be used to define the competitive position of a destination and judge its possible developmental trajectories in terms of the two factors of intensity and regulation.

2. THE RESEARCH METHOD

The work follows the qualitative methodology of the case study research of Robert Yin (1989), which is well suited to the type and purpose of this work. The study was carried out in several distinct stages:

- a) an analysis of the managerial economic literature relevant to the topic of the research. This analysis allowed us to draw up a theoretical reference framework that focused on the question of the competitiveness and sustainable development of a tourist destination by applying Weaver's matrix. We consulted academic studies, congress papers and other articles, including non-specialist material;
- b) an analysis and processing of data acquired from secondary sources with the purpose of determining the competitive position of Rome as a tourist destination. This analysis allowed us to create a qualitative and quantitative profile of the international tourist and discover any similarities with emergent tourist profiles. Also, we identified a number of issues of coherence in the city's tourist offer in terms of the current evolution in the tourist industry;
- c) an analysis of interviews, by administering a questionnaire, to the General Manager of the Federation of the Italian Travel Agents and Tour Operators and to the General Manager of the Association of Italian hotels. The questions were formulated in order to help understand the evolutionary dynamics of the Rome's growth strategy over 20 years, the major development projects undertaken in the period analyzed in relation to tourist developments, and significant structural/organizational or management changes implemented in this destination during the period of analysis. It also proved helpful to consult the national and international trade press and documents of a more historical/sociological nature.
- d) an analysis of competitive position of Rome as a tourist destination within the international tourist market and its direction of development using Weaver's matrix. This model, in fact, is fundamental for measuring the competitiveness of a destination and for assessing its possible future trajectory in terms of two major factors: a) *tourist intensity* (the ratio between the number of tourists and residents, the number of employees, the amount of accommodation and the average length of stay), and of *regulation* (tourism legislation, laws on the protection of the natural environment, respect for the needs of residents and the safeguarding of the local

cultural heritage). The interaction of these two factors gives rise to a four-quadrant matrix; each quadrant describes a possible developmental level 1) *Unsustainable Mass Tourism* (UMT); 2) *Sustainable Mass Tourism* (SMT); 3) *Deliberate Alternative Tourism* (DAT); 4) *Circumstantial Alternative Tourism* (CAT).

Both stages of the research have involved analysing the competitiveness of Rome as a destination, both statically and dynamically, and providing information for planning appropriate growth strategies in the international tourist market.

3. DISCUSSION

The analysis of interviews to the General Manager of the Federation of the Italian Travel Agents and Tour Operators and to the General Manager of the Association of Italian hotels were important to understand the evolutionary dynamics of the Rome's growth strategy over 20 years.

The city of Rome is the most sought after tourist destinations for both Italian and international tourists. The accommodation in Rome consists of about 260 hotels, 9,400 rooms and 19,000 beds distributed for each hotel category (Fig.1).

Fig. 1: **The accommodation in Rome - 2014**

Hotel categories (stars)	N. hotel	N. roms	N. beds
*****	2	59	156
****	61	4,309	8,547
***	117	3,742	7,776
**	55	987	1,911
*	26	319	615
Total	261	9,416	19,005

Source: EBTL, 2014 - Rome

In the first seven months of 2014, over six million tourists visited the city; between January and July 2014 the city saw an increase in arrivals (+ 6.05%) and in overnights (+ 5.51%) compared to 2013 (Lazio Tourism Authority). Out of the total of 6,024,893 tourists who stayed in Roman hotels during the first seven months of 2014, 2,192,092 (+ 5.25%) were Italians, whilst foreign visitors numbered 3,832,801 (+ 6.51%). This positive trend also occurred in the total of presences, which in the same seven months rose from 13,397,518 to 14,135,570. In 2014, the number of arrivals in Rome was 10,813,231 and overnights were 25,377,967 (Fig. 2).

Fig. 2: Arrivals and overnights of tourists in the hotels of Rome – 2014

Hotel categories (stars)	Arrivals	Overnights
*****	883,746	1,902,292
****	5,434,305	12,548,846
***	3,295,083	8,209,870
**	963,998	2,170,099
*	236,097	546,860
Total	10,813,231	25,377,967

Source: EBTL, 2014 - Rome

Rome is high on the list as far as the number of international visitors is concerned, yet it is not the city at the top of the list. This is demonstrated by the average length of stay, in contrast with other comparable cities: the average stay of tourists visiting Rome is of 2-3 days, whilst for Paris and London the figures are 3 days and 4-6 days respectively.

The largest tourist numbers were from the USA, with 215,064 arrivals and 518,125 overnights, accounting for about 30% of the tourist market in the Italian capital. Among European tourists, the largest numbers came from the UK, with 50,448 arrivals and 144,720 overnights. They were closely followed by tourists from Spain, with 44,524 arrivals and 124,128 overnights, and then the Germans, French and Russians. However, although Rome is the city of choice as a tourist destination, the record for most visited city in 2014 goes to London, which by year's end will have welcomed 18.6 million visitors (+8%), beating Bangkok, which was number one in 2013; the capital of Thailand has lost 11% of its tourists due to political unrest in the country and slipped into second position with 16.4 million visitors. In third place is Paris, with an increase of only 1.8% but a total of 15.5 million visitors. This classification is published each year in a report, *Global Destination Cities Index*, by MasterCard, to evaluate journey flows (leisure and business), and their economic impact on 132 cities in the world, based on official statistics supplied by each country and processed by means of specific forecasting algorithms. In the report, Milan is in 13th place with 6.8 million visitors (a drop of 0.4%), Rome is in 14th place with 6.7 million, and an increase of 2.5%. Italy therefore holds one record: no other country can boast of having two cities listed among the 20 most visited in the world, not even the USA, which this year saw Los Angeles fall out of the ranking, leaving New York as the only American city on the list. Milan and Rome are better positioned at a European level, being sixth and seventh respectively after London, Paris, Istanbul, Barcelona and Amsterdam.

Despite this, Rome is going through a period of extraordinary and significant changes, in terms of tourist competitiveness. Those cities that were until recently considered to be 'museum-cities' now must learn how to innovate and expand their attraction offer in more novel and modern directions. They must be increasingly capable of meeting the most varied needs and desires of tourists: from cultural attractions for those interested in history and art, to more strictly *leisure* pursuits for those who only want to relax and enjoy themselves. Also, they need to provide for those who travel for work or attend conferences, and also those who want to get to know new cultures and lifestyles. A city should be able to offer different forms of 'holiday'; it no longer can be a place that people visit only once in their lives, but instead a place to be visited regularly, so that a

wider variety of attractions can be experienced. These attractions should not be exclusively those of the city's cultural heritage; although of inestimable value, as in the case of Rome, by itself this heritage is no longer enough to bring back visitors who have visited the city once, and who can easily choose from a vast number of alternative tourist destinations. A destination, then, needs to be able to offer a *'full menu' of activities* that responds to the different needs, wishes and interests of its visitors.

There is therefore an overriding need to attract new types of tourist demand and new international flows, to extend the average stay period of tourists choosing Rome as a holiday destination, and to attract back those who have already visited the city. With these aims in mind, plans have now been drawn up for a series of projects that will lead to the setting up of a second tourism-focused system in Rome. This will include five sub-systems (trade fairs, conference and congress centres; golf courses; theme parks; parkland; seaside resorts and marinas, with a total of 23 projects (and totalling 7 billion euros), all each other correlated and interacting with the primary tourist focus of the city (the historical centre). This series of combined initiatives will in effect supplement and strengthen the capital's current tourist offer, by appealing to those tourist segments that have been until now overlooked. This imposing set of future projects should be capable of reaching the critical mass necessary to surpass previous numbers, and attract vast numbers of new tourists.

This second tourist-focused system regards a surface area of 27,000 hectares, involves four different administrative districts (the 12th, 13th, 16th and a small part of the 15th) and will also include the nearby towns of Fiumicino and Civitavecchia. It is about a series of building projects and infrastructure developments linked to a single tourist marketing system, which together will create an additional, new offer that will significantly increase tourist flows to the capital.

Side by side, with the current Roman tourist offer, which is mainly concentrated in what we could describe as the first tourist-focused area, namely the historical centre, the scheme aims to establish a series of projects and places of interest that can attract new, more diversified types of demand, prolong the average period of stay, and increase the number of visits, even of those who have already been to Rome to take in its principal sights. This combined system contains various sub-systems that include congress centres, golf courses, theme parks, parklands and coastal resorts; in short, all those segments of the tourist offer which are steadily on the increase. The Second Tourist Focus Areas should complement the First Area, with an offer built around entertainment, business, golf and the seaside. These are all sectors that can be found in other towns and regions but which until now have never formed part of Rome's attractions as a tourist destination. This new combined offer not only will it bring a quantitative improvement in terms of tourist numbers, but also a qualitative one in terms of diversity of offer. It involves several kinds of intervention; recreational activities, new infrastructures and the redevelopment of existing structures, sports events and traffic re-deployment. We expect that the combination of all these projects will manage to create a powerful system of tourist attraction.

The EUR district has now various attractions of interest to visitors: *La Nuvola*, the Aquarium and the Made in Italy exhibition; other local attractions are less well-known or less exploited as tourist sites, such as the Pigorini Museum, the Congress Hall, the church of Sts Peter and Paul, the lake and the indoor sports stadium known as the *Palalottomatica*, as well as the new Centre designed by Renzo Piano, which is under construction.

Another area of the city that will be directly affected by the new programme is the 13th administrative district of Ostia Lido, Rome's coastal resort. Several undertakings are planned and these will include Rome's sea front among its tourist attractions, along the lines of other European cities such as Barcelona; not only will the capital be a 'city of art' but also a 'city by the sea'. The project for the Ostia Waterfront includes hotels and shopping areas, a marina, a sea front promenade, sports fields, a redesigning of the end of the main access road, the Via Cristoforo Colombo, and a re-development of the nearby 'park of the dunes'. The tourist harbour of Ostia will be enlarged, and the archaeological site of Ostia will be re-developed and improved.

A series of programmes for improving road connections between the two districts is also envisaged, as well as initiatives to improve traffic flow, such as, for example, building the *Ponte della Scafa* bridge. Further projects include new connections in the local public transport network, a shuttle service to the centre of EUR district, and new train stations. There are also plans to develop the river Tiber as an alternative route to the Tyrrhenian Sea.

The aims of the second tourist-focused system

Creating a second tourist-focused system would resolve certain critical problems inherent in the current tourism model in Rome. Its objectives include:

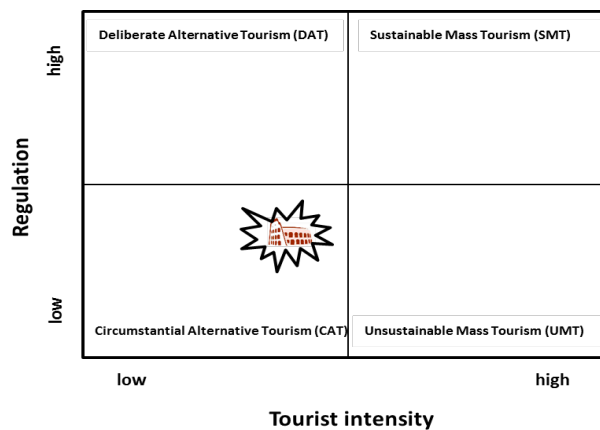
- increasing the occupancy rate of hotel rooms in Rome. Even though the demand for hotel accommodation is the most important element for tourism in the city, Rome's hotel offer appears to be under-exploited. In fact, the occupancy rate last year was only 57.83% of full potential, down from 61.15% of the year before.
- improving the average length of stay, which at the moment is 2.5 days, lower than that of other European capitals.
- Improving Rome's image as a congress centre. Business tourism accounts for only 18% of the total tourist flow of the capital. Paris, which is number one in the list of the top 10 cities hosting international meetings, in 2008 saw 44% of its total tourist flow accounted for by business tourism.

Rome's positioning as a tourist destination and the matrix of Weaver

According to Weaver (2000; 2011), the competitiveness of a tourist destination depends on the level of sustainability of its tourism development. This sustainability can be acquired if there exist certain well-defined conditions of *tourist intensity* (the ratio between the number of tourists and residents, the number of employees, the amount of accommodation and the average length of stay), and of *regulation* (tourism legislation, laws on the protection of the natural environment, respect for the needs of

residents and the safeguarding of the local cultural heritage). These conditions must be satisfactorily met and seen as primary factors in the assessment of a destination's level of competitiveness in national and international markets. By analysing the potential attractions and future areas of development of Rome as a tourist destination, we can study the city's competitive position by placing it within Weaver's matrix and plotting the possible trajectories along the lines of the two factors (tourist intensity and regulation). Likewise, considering the specific nature of the case, we felt it is important to place Rome as a destination at different points within the same quadrant of the matrix. Our analysis shows that statically, Rome could be placed (if relative differences are taken into account) in the quadrant CAT (Fig. 3). Dynamically, it can be seen that a development would be desirable, tending towards Deliberate Alternative Tourism, based first and foremost on a well-defined set of rules for managing tourist activities.

Fig. 3: The position of Rome as a tourist destination within the Weaver matrix



Source: our elaboration

This position of Rome within the Weaver matrix depends on both the "tourist intensity" (arrivals and overnights) and "regulation" conditions. In this regard, the analysis of interviews to the General Manager of the Federation of the Italian Travel Agents and Tour Operators and to the General Manager of the Association of Italian hotels were important to understand the problems of Rome. We can highlight the following critical issues that make poor regulation tourist locally:

- a) absence of an authority Governance able to coordinate activities involving the tourism sector;
- b) lack of coordination between government, regions and associations;
- c) absence of reliable database of the tourism sector;
- d) long time for issuing tourist visas to tourist destinations in strong growth;
- e) high bureaucracy perceived as an obstacle to the development of new tourist poles;
- f) lack of benefit of tax refund for specialized operators of the tourism industry;
- g) high taxation not consistent with optical tourism development than competing tourist destination;
- h) absence of effective mechanisms to encourage the creation of business networks.

Obviously, the progress of the tourist companies which are involved in Rome as a tourist destination towards greater sustainability requires that more attention be paid to the social and cultural background of the territory, which should be further improved to attract tourists to such places. For this reason, the question of the economic sustainability of these business ventures is of prime importance and actually makes regulation even more crucial.

Although our study has considered tourist destinations per se, clearly we need to look at all the tourist businesses and enterprises which are part of the Rome destination. Here the identification of the companies with the destination allows us to think of them as a single entity in their wider regional context. This has therefore made it possible to analyse the positioning of such companies by evaluating their ability to contribute to the development of local tourism.

Another consideration is that the variable 'regulation' is extremely important for the purposes of sustainability for Rome as a tourist destination. In particular when the high level of regulation is due not exclusively to legal requirements but also to local policies for the protection of the environment, the respect of local residents and the preservation of the historical or architectural value. In any case, by placing Rome inside the CAT quadrant of the Weaver matrix, we can see that the variable 'tourist intensity' is of no less importance, especially in light of the sizeable tourist flows that arrive in Rome each year.

CONCLUSION AND LIMITATIONS

The results obtained suggest that there are at least two main strategic areas we must work on in order to improve the competitive position of the Rome destination in the international tourism market:

1. implementing the process of integration between the first and second tourist-focused areas, beginning with an improvement in the efficiency and effectiveness of service management in the city;
2. increasing the level of regulation of tourist and cultural activities in Rome according to their level of tourist intensity. Tourist regulation has to be examined by assessing the level of professionalism and responsibility of the public administration.

To assist the progress of these two strategies, we must adopt an approach to tourist governance that goes well beyond the management of the destination in terms of marketing, which is traditionally bound to ideas of maximising such outcome variables as number of visitors, length of stay, average spending, reputation, etc. To implement the strategies a different approach is needed. A new approach that does not focus anymore on developing the destination on the basis of how many attractions exist and how to manage them in terms of marketing, but instead focuses on the capacity to incorporate and coordinate the large numbers of people who are involved, in one way or another, in developmental projects that are increasingly considered more sustainable.

The interpretation of the survey is limited by being the observation of a single unit of analysis, which does not allow for a generalization of the results. Further improvements could be made by using statistical models of the results of analysis, the analysis of information emerging from interviews on the strategic behaviour of local actors, and the analysis of information from interviews on clients' customer satisfaction. In addition, the position of Rome within the Weaver matrix is influenced by a qualitative interpretation of the "regulation" condition, national and local.

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