

## MANAGEMENT OF SUSTAINABLE TOURISM DESTINATION THROUGH STAKEHOLDER COOPERATION\*

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*Destination presents a set of different organizations and individuals who can work towards realising the same objectives or their objectives can be diametrically opposed. Harmonisation of such objectives in a unique strategic development of the entire destination is usually taken over by destination management organization (DMO) established to accomplish the mentioned objective. The opposed interests in such a system as complex as tourism result in the degradation of space and society in which tourism takes place. Therefore sustainable development in tourism represents a primary concept of development today. Tourism is a fast growing phenomenon and its sustainable development represents a necessity. Besides the positive economic outputs of tourism, we should also mention its negative impact on the particular destination, the environmental degradation to some extent, as well as socio-economic elements of local community. Accordingly, multi-stakeholder concept in destination management should include all interest and influential groups in tourism development planning. Such integrated destination management connects all stakeholders independent*

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*from influence or interest powers to participate directly or indirectly in creating and implementing the quality tourism development. This concept's basic function is connecting and coordinating stakeholders with different interests within a tourism destination, in order to create quality product and a recognizable destination image, and to achieve a long-term sustainable competitiveness on the market. However, based on the stakeholder approach, the most emphasized issue in sustainable tourism development concept is the government that holds a key role in socio-economic development. In this paper, we analysed current involvement of stakeholders in Zadar County tourism development and examined their interest in future involvement in sustainable destination development. Based on the analysis of focus group research results, that included 87 interested stakeholders from all segments of tourist industry, public services, local administration and self-government, and in comparison with the results of tourism demand research on the non-random sample of 1,697 tourists, we draw conclusions on the level of stakeholder involvement and cooperation in creating the sustainable destination. The aim of this paper is to offer recommendations for harmonizing development directions of the sustainable destination in order to reduce differences among stakeholders.*

**Keywords:** Tourism destination management, Sustainable tourism destination, Stakeholders

## **1. INTRODUCTION**

Tourism destination is a wider integrated space, which builds its tourism integrity on a concept of cumulative attractions which, due to the impression they offer and their additional tourism infrastructure, make them become tourism hotspots (Pirjevec & Kesar, 2002). The importance of accumulation of attractions in a destination presents a challenge to space management. The key question is how many attractions a certain space needs and what is the maximum intensity of tourist gathering in the space. Therefore, the challenge to tourism destination management is high. As Manente & Minghetti (2006: 23) point out, a destination is essentially a “*group of actors linked by mutual relationships with specific rules, where the action of each actor influences those of the others so that common objectives must be defined and attained in a co-ordinated way*” (Fyall et al., 2012). In the time of extreme competition among tourism destinations present on tourism market nowadays, success can be reached only through a cooperation of all participants in the destination offer. To accomplish this objective, many destinations have introduced destination marketing companies (DMC) or destination management organisations (DMO) aiming to join the opposed interests of the destination participants. Accordingly, a number of studies have focused on DMCs & DMOs and their roles in destination-level collaborations (Fyall et al., 2012). Due to a dynamic and

continues change of market conditions, tourist boards had to evolve from entities and organizations dealing mostly with promotion of destinations to destination marketing organizations, and eventually to destination management organizations (Serra et al., 2016). It is very important for these increasing demands not to result in the desire for a short-term gain through harming the overall sustainable growth and destination development. It is necessary to optimize both economic and social progress of the destination and all of its parts at the same time respecting ecological restraints. Porter & Kramer (2011) state that a “*shared value involves creating economic value in a way that also creates value for society by addressing its needs and challenges*”.

A conceptual change is taking place in the last decades – related to the change of destination marketing companies towards being administration-destination management organizations which manage complex private and public partnership – has resulted in their moving closer to public administration. Public and private partnerships and decrease of business entities competition within a destination are possible through creating common values in which all parties make a concession for the purpose of economic and social benefits (Vaidyanathan & Scott, 2012). Therefore, DMOs have to be related stronger with local authorities and the private sector in order to create public-private consortiums (Socher, 2000; Serra et al., 2016).

It is necessary to have a quality and systematic destination management, in order to create a competitive and sustainable tourism destination. It implies a long-term process of change management, which includes optimal economic development of a destination, a higher level of life standard, ecological preservation, social and cultural heritage preservation and its valorisation with the aim of economic and general development of a tourism destination (Blažević, 2007: 218; Pearce, 2015). Destination management is being perceived as a virtual organisational network of independent organisations with certain common resources and business goals, and with common management for all segments (Magaš, 2008: 11; Bartoluci, 2013: 164). Such management coordinates those tourism functions that cannot be carried out by individual offer holders, because they have stronger common performances and better perspectives in realisation of their goals. Chen and Paulraj (2004) claim that the success of organizations operating within tourism destinations depends on the re-orientation of their organizational strategies toward the achievement of a ‘collaborative advantage’ rather than a ‘competitive advantage’.

Destination management represents an activity at the micro regional level, where all stakeholders have individual and organisational responsibility to

undertake measures and efforts to create future vision contained in the policy and development at the macro regional level (Vanhove, 2011: 173; Ritchie & Crouch, 2000). This approach shows that destination management does not require a formal body to manage destination, but a composition of influential interest groups and individuals, all being stakeholders of that particular destination's offer. *"In accordance with this, the concept of responsible tourism management is developed. In terms of responsible tourism management it would mean being able to contribute to: (1) promoting a wealthy tourism industry, (2) improving the locals' quality of life, and (3) preserving the quality of the environment – all at the same time and with minimum trade-offs"* (Pike & Page, 2013). DMOs which are incorporating the concept of a responsible tourism management are dealing with a much broader mandate than just promotion or marketing of a destination (Pike & Page, 2013).

Due to the fact that very often numerous interests and influential groups within a tourism destination are intertwined, but also conflicted, it is very important to harmonize all the interest through sustainable principles in order to ensure a long-term business. According to that, management is a process of forming and maintaining the environment, where individuals interact and work in groups to effectively achieve the goals that were set (Wehrich & Koontz, 1993: 12). Therefore, the basic goal of destination management is the effective harmonization and coordination of conduct and goals of individual interest and influential groups. Burns (2008) stated that the effective planning and conducting the sustainable development derives from cross-sectorial cooperation between stakeholders within a complex socio-political framework. But if the government, that should encourage destination stakeholders, fails in its part of the job, the sustainable development cannot be guaranteed (Choi & Murray, 2010: 589).

## **2. THE CONCEPT OF STAKEHOLDERS IN MANAGEMENT OF TOURISM DESTINATION**

Besides two main roles of a tourism destination, it has also a number of important supporting roles. Its main priority is to enhance the social and economic well-being of its residents, living within its boundaries. Furthermore, it has to offer a range of different activities and "tourism experiences" to enhance the well-being of its residents, but also to be classified as a tourism destination (Bornhorst et al., 2010). The concept of stakeholders assumes that a destination takes central place within the relationship network of other interest and influential groups, to ensure the long-term existence of the destination, where the stakeholder is each person or group that can influence or can be

influenced by meeting the goals of destination (Sheehan & Brent Ritchie, 2005; Currie et al., 2009; Waligo et al., 2013; Gyrd-Jones & Kornum, 2013). This concept assumes cooperation of all interest and influential parts/groups involved in realisation of the common goals and problem solutions related to the lack of communication and understanding. Interest and influential groups have their demands, ownerships, rights or interests in organisation and environment, past, present and future. Basic division includes internal and external interest and influential groups, while somewhat wider division defines interest and influential groups as users, employees, investors, social community and government (state and local). Although there are different understandings and interpretations in the meaning of the word stakeholder, in most of the cases the characteristics set by Mitchell, Agle & Wood (1997) are being emphasized, within the frames of the so called stakeholder salience. Stakeholder characteristics are given through three categories: power – capability of one person or a group to encourage or impose change in someone else's behaviour; legitimacy – determines behaviour or status of an individual, group or other organisation accepted in a society as the right or appropriate ones; urgency – interest and influential groups have more or less urgent right on the result achieved by an organisation.

Concept of stakeholders is especially applicable in the domain of tourism with its certain specifics. It is interesting that a real form or a tool for determination of stakeholders in tourism does not exist. Some possibilities of stakeholders' definition comprise results, or secondary information from (local) sources, open discussions, interviews, meetings, focus groups, workshops, etc. It is important here to determine the level of involvement and 'power' of stakeholders according to certain characteristics, results, adopted knowledge and experience of stakeholders, involvement in tourist offer and perception of the sustainable development in tourism. There are different categories of stakeholders that affect tourist offer and demand differently, but act in common on a regulatory, economic and social level. The four basic interest and influential groups in tourism are government, industry or entrepreneurs (economic subjects), tourists and local population (Byrd et al., 2009; Conaghan et al., 2010). We can add to these categories some specific interest and influential groups (educational institutions, churches), as well as the civil sector (associations and similar organizations).

Given that the implementation of sustainable development in tourism depends on involvement and interest of all stakeholders within a tourism system or a destination, the concept of stakeholders represents a possible presumption for its implementation. Purpose of the stakeholder concept in sustainable

development is to identify potential interest and influential groups in tourism; to involve key groups and all other interest and influential groups in tourism, and enable their participation in order to provide socio-economic prosperity to everyone. Some of the problems that occur are also: distrust for the government or insufficient support of the government, inclusion of politics, too much administration or bureaucracy, exceeding influence of the key interest and influential groups, insufficient inclusion of individual interest groups, insufficient awareness on the need to participate, lack of guidance, wrongly defined priorities, goals and conduction strategies, etc. (Andereck et al., 2005; Byrd et al., 2009; Hall, 2011; Waligo et al., 2014). Solution for the said problem as well as for all the other problems lies in systematic, quality and effective management of tourism destination, most often addressed as destination management or destination management of organisations in the sense of strong, well-structured and institutionalized management that possesses all necessary material and non-material resources, but acts autonomously and responsibly with the support of public and private sector and local population (Blažević & Peršić, 2009: 199; Magaš, 2008: 81).

Multi-stakeholder destination management concept lies in the stakeholder principles concept. The upgrade is manifested through the need of inclusion of all interest and influential groups in destination management system. Such an integrated destination management connects all participants that participate in creation and management of a quality tourism demand independently through the 'power' of their influence and interests, and direct or indirect participation. The need for stakeholder inclusion in tourist offer arises from diversification and fragmentation of tourist offer, respectively of more complex tourism demand. Assumption for a successful multi-stakeholder concept is the expert representatives' participation from all interest and influential groups. Basic function of this concept is connection and coordination of stakeholders' different interests within a destination, in order to form a quality product and recognisable image of a destination, achieve the excellence and long-term competitiveness on the market, as well as the destination sustainable development. Surely, management of a large number of stakeholders in tourism system is not simple and it does not happen by itself. Therefore, it is necessary to have a certain organization to coordinate the work and goals of all stakeholders. It can be virtual, profit or non-profit, an association or an entity at the level of regional or local self-government. Very often the role of government, as the key holder of socio-economic development, is emphasized within the concept of sustainable development based on the stakeholder approach (UNEP & UNWTO, 2005; Hall, 2011). Past researches show that management of sustainable development in tourism based on the concept of a

bigger number of different stakeholders is very complex and demanding, and often leads to problems due to wrong understanding of the concept of sustainable development or the impossibility of its implementation (Hardy & Beeton, 2001; Ko, 2005; Choi & Sirakaya, 2006; Koutsouris, 2009). Furthermore, such managing concept depends on mutual communication, cooperation and understanding among stakeholders, while the lack of functional communication channel is being mentioned as an additional problem (McKercher, 2003; McDonald, 2009). Each stakeholder has a different perspective of the development and different goals. Due to this, each stakeholder has different expectations from sustainable development that must be harmonised. In this part, an important role belongs to the 'salience' of individual stakeholder at the market (power, legitimacy and urgency), respectively to its potential and role in tourist or destination system.

### **3. SUSTAINABLE MANAGMENT OF TOURISM DESTINATION CONCEPT**

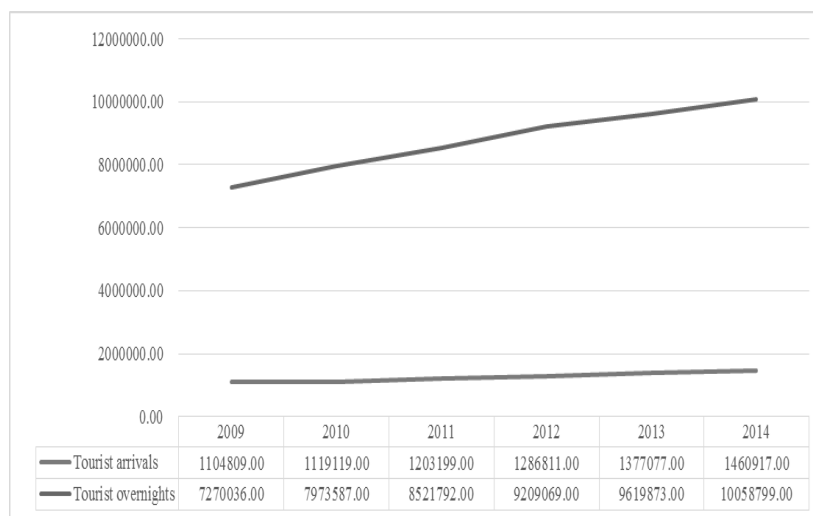
In recent years, sustainable development imposed itself as an essential goal of any human activity, regardless of its outcome. Economy growth and development problems are crucial, particularly in activities with continuous growth record. As one of those activities, tourism has shown concern for sustainable development at all levels. This came from the fact that besides the positive economic effects, tourism also had the negative impact to a certain extent on some destinations, by degrading their environment and the socio-cultural elements of communities in these areas. Thus, a sustainable development comes as a condition for the existence of tourism.

In a globalized and competitive environment, as the tourism market is, destination marketing has been recognizes as a pillar for the growth and sustainability of tourism destinations (UNWTO, 2011). A sustainable development should ensure a controlled development of tourism by using resources, which are the basis of tourism development, for the current development, but at the same time by preserving the resources for further generations (UNEP & UNWTO, 2005: 11). According to Agenda 21 (UNWTO, 1992) sustainable development in tourism should be based on sustainable preservation of ecological, socio-cultural and economic components, with the presence of human activities and processes as a key factor (Vukonić & Čavlek, 2001: 190; Đukić, 2001: 32; Swarbrokke, 2000: 83; Črnjar & Črnjar, 2009). Hall (2011) also states that sustainable tourism presents a paradox, as it stands for a success given the concept's diffusion among academics, industry,

government, and policy-actors at one level, but it shows at the same time a continued growth in the environmental impacts of tourism in absolute terms.

#### 4. ZADAR COUNTY AS A TOURISM REGION

Zadar County is located at the central part of Adriatic coast. It constitutes 8.3% of Croatian mainland with the surface of 7,276 km<sup>2</sup> and 11.6% of territorial sea. Geographically, this County is surrounded by the following groups of islands: Cres-Lošinj, Kornati, Žut-Sit and Murter archipelagos. On the mainland side, it is surrounded by mountain chain of Dinarids, respectively of mountain ranges of Velebit, Lika highlands, Plješevica Ujilica (Bosnia and Herzegovina) and northern Dalmatian plateau (Zadar County, 2015). County has 34 units of local self-government, 6 towns and 28 municipalities. Very favourable geographic location, rich attraction basis and quality traffic connection resulted in strong development of tourism activity, especially at the littoral part of the County. 11% of overall turnover and 13% of employees make part of the accommodation sector and the sector of food preparation and service (Croatian Chamber of Economy, 2015). Therefore, we can make a conclusion that tourism is an initiator of economy and the most promising development domain in this area. *Figure 1* shows the continuous trend of growth in the number of tourist arrivals and overnights in the County.



*Figure 1. Tourist arrivals and overnights in Zadar County from 2009 to 2014*

Source: Authors' interpretation according to information obtained from Zadar County Tourist Board.



There are 100,000 beds in hotels, family accommodation, camps, resorts and other tourist accommodation facilities in Zadar County area (Croatian Chamber of Economy, 2015). According to the information obtained from the Zadar County Tourist Board, the biggest part of accommodation capacities is realised in family accommodation (61.1%) which are least manageable due to their dispersion. In 2014 Zadar County participated in the total tourist turnover in the Republic of Croatia with 11.13% in arrivals and 15.13% in stays (Croatian Bureau of Statistics, 2015). The four interest and influential groups in tourism have been identified within the County. In this case state government is represented by the County as an institution, units of local government and self-government as towns and municipalities, county, town and municipality tourist boards. We should keep in mind that Zadar County has only partial autonomy within the state. Therefore, although excluded from this study, the Parliament and the Government of the Republic of Croatia, Ministry of Tourism and Croatian Tourist Board should certainly be mentioned as important stakeholders that directly or indirectly influence tourism destination management at the county level. It is important to emphasize public enterprises (transport, drainage, utilities, etc.), commerce, banks, agriculture, food industry, etc. as the economy subjects in tourism, besides the accommodation and service sector enterprises. Tourists represent stakeholders based on arrival motives of the overall destination offer realised. According to the state they come from, tourists from Germany, Slovenia, Czech Republic and Austria dominate, and they make 80% of the overall foreign tourists (Croatian Bureau of Statistics, 2015). They come with the primary motive of enjoying the sun, sea and beaches (Zadar County & Zadar County Tourist Board, 2013). And finally, but not less important, stakeholder is local population that has multiple roles: as the offer provider of family accommodation and other services, the manpower in tourism, the creator and guardian of cultural heritage, and the creator of public opinion about tourism, etc.

## **5. METHODOLOGY**

The aim of this paper is to research the present involvement of different stakeholders in the tourism region of Zadar County and to examine their interest in future involvement in sustainable development of destination. Analysis of research results within the focus groups included 87 interested stakeholders. Seven focus groups were organized on the basis of the spatial distribution of tourists in the county as a destination. Territorial distribution is very important because it includes the coastal area with highly developed business in tourism. The islands in their uniqueness are primarily based on traffic isolation as a separate entity. The county also includes two undeveloped tourist areas: rural

area Ravni kotari and Bukovica, as well as Lika which are rich in insufficiently valuated natural and social attractions in tourism sense. The selection of participants included in each of the focus groups was as follows:

- Mayor and/or municipality mayors, and in their absence Head of Department of Tourism. Focus group included Head of the Department of the sea and tourism as the representative of Zadar County;
- Representatives of all accommodation facilities in the destination (private accommodation, small hotels, large hotel companies, camps, sailing , tourist resorts, rural tourist family businesses) in accordance with the structure of accommodation facilities in the area;
- Representatives of restaurants, café bars and other related services in the destination, selected randomly from the list provided by the Chamber of Crafts;
- Randomly selected representatives of additional offers (adventure, sports, events) based on data from the County Tourist Board;
- Directors, tourist offices at the level of county, towns and municipalities.

A separate focus group at the county level presented its view on opportunities and obstacles in the tourism development included:

- Directors of the most visited museums in the county, Concert office;
- Representatives of public enterprises - transportation (automotive, marine, airports), utilities (water supply, sewage, electricity supply), management of parking facilities and airports;
- Public sector - secondary and higher education, police, health, customs.
- Civil sector (Civil society) - associations focused on tourism and preservation of the environment.

Each focus group lasted 2 hours and 30 minutes and included 14 to 18 participants. Focus groups were divided in four parts, of which the first one considered the current situation in tourism destinations and the problems encountered by each of the stakeholders in their current work. In the second part, participants emphasized the benefits/powers they possess and resources and opportunities they recognize in the area and its surroundings. The third part brought discussion on shortcomings/threats the future holds for stakeholders and the destination as a whole. The last part of each of the focus groups asked stakeholders to share some of their attitudes,

suggestions or conclusions they considered important for future development of tourism.

Through comparison of obtained results with the results of the questionnaire survey conducted on local population and tourists who stayed in the county, we determined the level of involvement and cooperation among stakeholders in creation of destination sustainability. Focus groups were conducted in the period from November 2012 until April 2013 in Zadar County area. The content of focus groups has been transcribed and analysed in order to find characteristic quotations which contribute to the aim of this research.

The survey of the county population was conducted on a random sample of 899 inhabitants of the county from March until June 2013. The research was conducted through structured questionnaire containing 6 open questions which examined the opinions of local population about the advantages and disadvantages of the destination, but also the opportunities and threats imposed on the tourism destination. Furthermore, the questionnaire contained eight closed questions. The study evaluated overall satisfaction with the destination and elements of the tourism destination offer. The Likert scale was used from mark 1 indicating complete un-satisfaction to mark 5 indicating complete satisfaction with certain elements. Furthermore, we examined the population's attitude on current tourism offer and opportunities for its expansion, especially off-season and their wishes for inclusion in the tourist offer of destinations and rapprochement with tourists. Part of the issue with the help of the Likert scale (from 1 - lack of impact to 6 - a strong influence) examined the opinions of the public on the impact of tourism on the individual, the community and the environment in the area.

In addition, the questionnaire also included questions about demographic characteristics of respondents widened by questions about their current inclusion in the tourist offer.

Tourism demand in the county was examined through the survey conducted on stratified sample of 1,697 tourists. Stratification was conducted according to the country of their origin, unit of local self-government where the tourists stayed and type of the accommodation capacity in order to obtain better representativeness of the sample according to population. Apart from the questions about demographic characteristics, the questionnaire for tourists involved questions about their motivation to choose destinations, the way in which they learned about the destination: the way they organized the travel, what facilities they used and what is their consumption in the area. The study

evaluates the overall satisfaction of tourists with the destination and elements of the tourism destinations. The Likert scale was used from 1 - complete dissatisfaction to 5 - complete satisfaction. Further on, we examined the satisfaction ratio of value for money and the desire for another visit.

Such structured questionnaires with same questions for residents and tourists, and within focus groups in tourist industry and other stakeholders in the area, enabled the analysis of the attitudes of various stakeholders to the same issue. Statistic package SPSS was used for the analysis of the information obtained. Results given in this paper are part of the multi-year project aimed to collect serial data on tourism trends in the area of Zadar County as a tourism region.

## **6. RESEARCH RESULTS**

Within the focus groups framework, the representatives of tourist offer brought forth basic problems they face in sustainable development of tourism destination. The basis for sustainable tourism destination is a tourist offer that satisfies needs of the tourist market without endangering survival of the local community. The absence of such systematically developed tourist offer is reflected through Zadar County economy key statement defining deficiency of *complete tourist product, activities for youth, entertainment events, lack of adequate accommodation, lack of cycling, wine and olive routes - as basic or additional offer, as well as the slow realisation of development programmes*. Those quotations reflect awareness of tourist offer holders on problems in tourist products. According to conclusions of the focus groups, the reason for this situation lies in the low level of innovative offer, relatively short tourist season and related insufficient use of human capital. Although participants in the focus groups recognised advantage of the County as a destination through synergy of coast and hinterland, they were also aware that such linking has not been realised yet. This synergy would result in the extension of the tourist season, more diverse offer and dispersion of tourists across the area, which would result in reduction of space load. The reason for the lack of linking, according to entrepreneurs, is insufficient cooperation between the local self-government, as well as the tourist boards of the said area. Entrepreneurs consider that the government communicates insufficiently with other stakeholders both on horizontal and vertical level.

Insufficient, bad or ineffective communication between stakeholders represents the biggest problem that as a consequence generates numerous problems. Thus, entrepreneurs emphasize deficiency of communication, as they

address *insufficient communication and cooperation with the local government and other stakeholders, insufficient communication and exchange of ideas on the level of local entrepreneurs and local self-government*, and, as they say, *they do not have someone to push them forward*. As it has been theoretically elaborated, this research also shows that communication among stakeholders does not happen by itself, but by someone who must initiate, constantly encourage and guide it. The entrepreneurs agree that tourist boards should be the initiator at the national and local level, as well as the local government and self-government.

At the national level, entrepreneurs recognise disharmonised legislation as an obstacle for systematic and sustainable destination development. Legislation is contradictory at different levels, which often disables quality and effective development. Concessions on the state property often present a twofold issue – insufficient effectiveness when giving in concession the area adequate for tourist activity, and then the insecurity of the extension of the said concession when it expires, and the insecurity of investment that stems from it as well. The absence of systematic planning in economic and political sense in domain of spatial planning and a slow resolution to property relations represent problems that occur in destination organisational elements as a responsibility of national and local administration. This form of unsystematic planning can result in future ecological problems of the destination area.

Traffic connection of individual municipalities and towns with the centre of the County is relatively good, but the problem is insufficient connection of individual municipalities in which case the road, boat, and especially train connections are at a very low level. This problem shows unsystematic elaboration of tourism development in the destination, because it not only creates a spatial pressure on the town of Zadar, but also reduces the synergy possibility of the destination as a whole.

Entrepreneurs who participated in focus groups state that guests are relatively badly informed and emphasize bad signalisation as a problem. Research of guests' satisfaction with individual elements in destination through the survey grading from 1 to 100 showed that tourists, as one of four basic stakeholders in destination development, are also unsatisfied with information available. *Figure 2* shows satisfaction of tourists with beaches and available information on them. Beaches were chosen as an example, because most tourists (28.4%) state that primary motive of their arrival to a destination were swimming and sunbathing, and the majority (71.8%) states that it was one of three most important motives for their arrival. Tourists are more satisfied with

comparative advantages of beaches to significantly bigger extent than the competitive advantages of beaches created by the State and economy as stakeholders in sustainable destination development. Entrepreneurs also identify low quality of beaches utilisation and cite *overcrowding on beaches, bad maintenance of the tidiness and deficiency of sanitary objects* as problems.

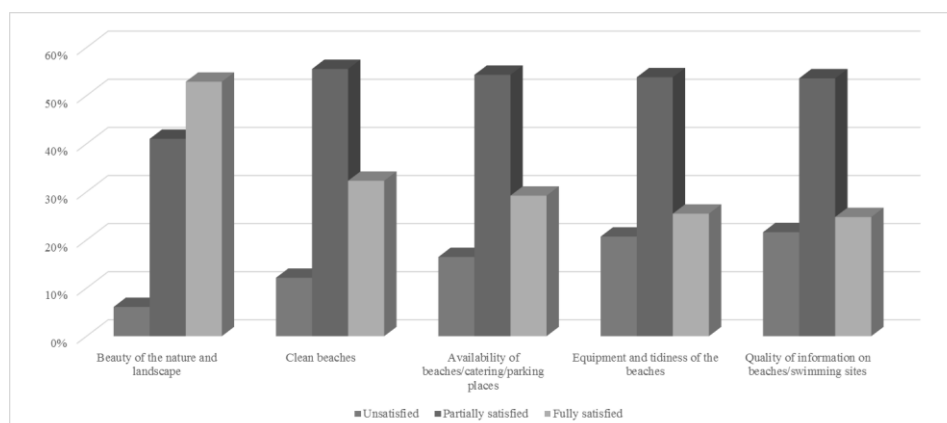


Figure 2: Satisfaction of tourists with elements of "sun and sea"-oriented tourism in Zadar County

Source: Empirical research.

In the opinion of local population, badly arranged beaches do not present a significant disadvantage for the destination development, only 4.2% of respondents consider this the basic disadvantage of a destination, but just like entrepreneurs, representatives of government and local population (53%) consider natural beauties as basic advantage of a destination.

Specific problem of tourism economy in Zadar County is the problem of presence of mines and explosives. Čerina (2010) concluded that the problem of remained mines in certain areas does not influence safety of the main tourist season, but states that limitations are still present, especially in the development of rural tourism. Given that the hinterland of Zadar County is highly adequate for development of rural tourism, and at the same time affected by remained mines and explosives, the solution of this problem will present the basis for tourism development in this area.

Cooperation of tourism and local population is very important. Local population presents the manpower in tourism; they offer accommodation in

households and appear as the basic creator of local culture. Tourism representatives in focus groups state that *local population is insufficiently included in tourism*, while the research of local population shows that 46% of local population is included in some sort of tourist offer and that only 35.9% of non-included population does not plan to be included in the offer. Furthermore, entrepreneurs cite that *local population is not motivated for tourism* and consider it a problem, while at the same time over one half of local population (55.9%) is ready for some sort of investment to themselves or to their property in order to ameliorate the offer in destination. While entrepreneurs consider that local population is not educated and that they do not want to educate themselves, 55.1% of respondents are ready to learn foreign languages in order to accommodate themselves to demands of tourist offer.

Load of carrying capacity in destination, created through increased number of tourists, is noticed by only one focus group which cites that *the number of visitors in caves and in fishing tourism should be limited*. Carrying capacity is being linked here only to space segment. This shows that the economy is still not aware of the problems in destination sustainability at the ecological, socio-cultural or economic level. Citizens recognize such problems in a bigger extent than the economy; 58% of questioned citizens notice higher price of everyday expenses at the economic level, while 38% of respondents is bothered by higher prices of land in the destination. One third of respondents has problem with elements which present ecological problem in destination: crowd, noise and the environment pollution which occur under the influence of tourists visiting the destination. The smallest part of respondents has the problem with negative tourist influence at socio-cultural elements of the destination as the growth of criminal actions (19%) in the destination and the influence of other cultures and religions (9%). Within the focus groups, entrepreneurs consider that citizens are annoyed by the noise that tourists produce without reason and assign it to their „bad mentality“. Economy does not identify negative elements of tourism influence on destination which shows that it, as a stakeholder, has not recognized the need for sustainable destination management.

Such an attitude of stakeholders who create a destination offer probably influences the perception tourists have about the destination, where only 3.3% (56 tourists out of total 1,697 examinees) of visitors find it ecological and the biggest part of them thinks of it as of the mass tourist and family beach destination.

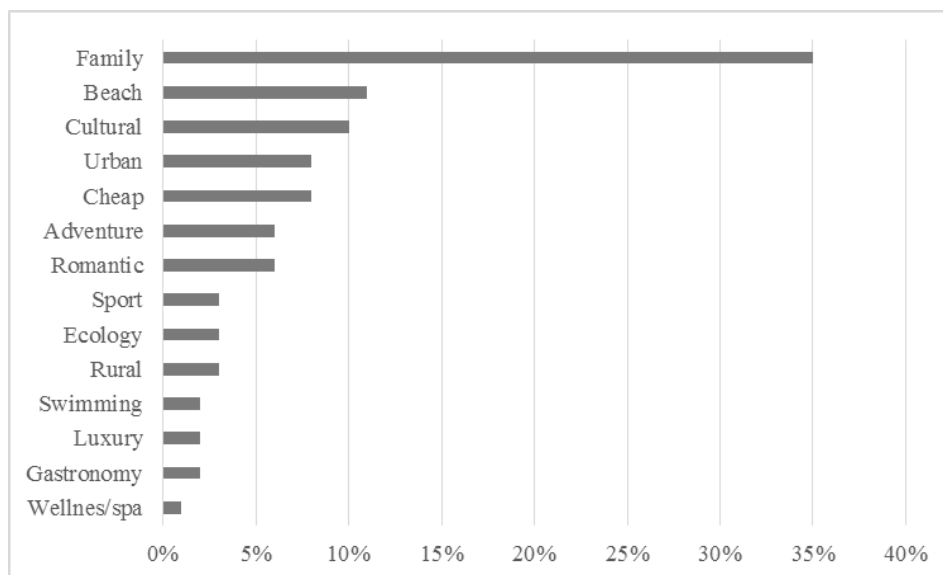


Figure 3. Perception of tourists of Zadar County as a destination

Source: Empirical research.

Tourist board of Zadar County did not change its concept of being a destination marketing company towards being a destination management organization. The work of the Tourist board is regulated by the law and is at the lowest developmental model in which the Board is the one primarily responsible for promotion of the destination. However, the locals believe the Tourist board has a significantly positive influence on the development of tourism destination.

As the biggest problem for better quality development of tourism destination, residents recognize the local government and self-government (municipality & city authorities) (26.1%) and deficiency of finances (13.1%). Tourist board is recognized as a problem for a quality development of tourism destination by 4.11% of the locals.



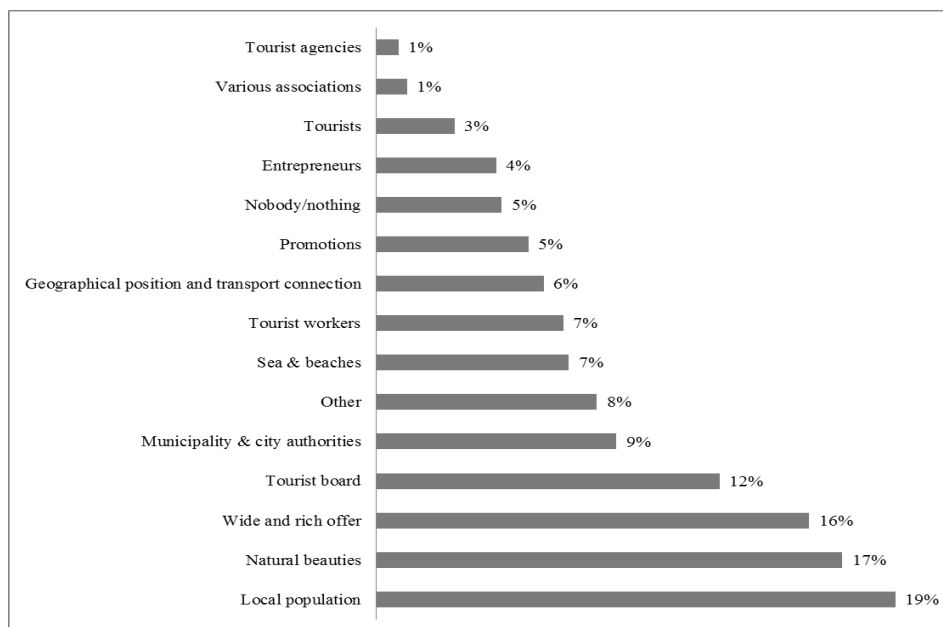


Figure 4. The largest positive influence on the development of tourism destination according to the opinion of local population

Source: Empirical research.

Entrepreneurs share their opinion and emphasize the local government and self-government as a basic problem for quality development of destination sustainability, but they consider that the biggest problem is the absence of communication between stakeholders. Government representatives who participated in the focus groups emphasize the economic crisis and deficiency of finances as the basic problem which results in the absence of quality tourism product in the destination.

## 7. CONCLUSION

Management of tourism destination is a very complex process, firstly because of the large number of stakeholders with their desire to influence the creation of its uniqueness. Destination management organizations (DMO) have important role in joining different interests aiming to create sustainable tourism destination, followed by destination management. In the last decades they have changed their marketing mission into a managerial one, harmonizing interests of

various interest groups in the destination aiming to ensure economic and social benefits for all participants in the destination.

The case study of Zadar County in this research has shown problems that stakeholders face within the destination when they have to bring a decision on sustainable development of destination. The holders of tourist offer emphasize deficiency of communication between stakeholders as the basic problem for sustainable development in tourism, while residents think of the local government and self-government as of the restricting factor in development. Tourists as stakeholders, in accordance with whose demands the offer is being created, are less satisfied with the elements of the offer created by the local government and self-government, than by the natural givens within the destination. This research has shown that unlike tourists, the entrepreneurs, as well as the government representatives do not recognise the problems related to carrying capacity of destination and its future sustainable development. Residents recognize to a bigger extent the negative effects of increased number in tourist arrivals to the destination. It is necessary for the successful future development to encourage the communication among all stakeholders in the destination, to form a new body or authorise the existing one as the coordinator of the addressed communication. Entrepreneurs, local government and self-government recognize the Tourist Board of Zadar County as the body which should, with the extension of its powers as a regional management organization, overtake this demanding role in creating the sustainable destination development through the coordination of all stakeholders and by encouraging their constant dialogue. The problem the Tourist Board faces in the realization of its objective lies in the legal regulation as well as in a relatively weak power in managing different interests of the participants in the destination. The very cooperation among different participants is what presents a pre-condition for a quality sustainable development of a tourism destination.

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## **UPRAVLJANJE ODRŽIVOM TURISTIČKOM DESTINACIJOM TEMELJEM SURADNJE DIONIKA**

### **Sažetak**

Destinacija predstavlja skupinu različitih organizacija i pojedinaca, koje mogu surađivati na temelju težnje istim ciljevima, ali njihovi ciljevi mogu biti i dijametralno različiti. Harmonizacija ciljeva u jedinstvenom strateškom razvoju destinacije obično spada u područje rada organizacije za destinacijski menadžment, koja se i uspostavlja u tu svrhu. Suprotstavljeni interesi, u kompleksnom turističkom sustavu, rezultiraju degradacijom društva i prostora u kojima se turizam odvija. Stoga je održivi razvoj primarni koncept razvoja suvremenog turizma. Sam je turizam fenomen koji brzo raste, što je dodatni razlog za nužnost održivog razvoja. Uz pozitivni ekonomski učinak, turizam donosi i negativne efekte za destinaciju, koji uključuju ekološke posljedice, kao i negativno djelovanje na socio-ekonomske aspekte zajednice. U tom smislu, u koncept destinacijskog menadžmenta, koji uključuje višestruke dionike, potrebno je uključiti sve interesne skupine, relevantne za planiranje razvoja turizma. Tako integriran destinacijski menadžment povezuje sve dionike, neovisno o njihovom utjecaju ili interesu te im omogućuje direktno (ili indirektno) sudjelovanje u kreiranju kvalitetnog razvoja turizma. Temeljna funkcija ovog pristupa odnosi se na povezivanje i koordinaciju dionika s različitim interesima unutar turističke destinacije, s ciljem stvaranja kvalitetnog proizvoda te prepoznatljivog imidža destinacije, kao i održive dugoročne destinacijske konkurentnosti. Međutim, unutar koncepta suradnje dionika u održivom turizmu, najviše se naglašava značaj vlasti kao temeljnog čimbenika socio-ekonomskog razvoja. U ovom se radu analizira postojeće uključivanje dionika u razvoj turizma Zadarske županije. Na temelju analize fokusnih skupina, koje su uključivale 87 zainteresiranih dionika iz svih segmenata turističke industrije, javnih usluga, lokalne uprave i samouprave, kao i u usporedbi s namjernim uzorkom 1.697 turista, iznose se zaključci o razini uključivanja dionika u razvoj te stvaranje održivosti destinacije. Cilj je rada pružiti preporuke za harmonizaciju smjera održivosti destinacije i smanjivanje razlika između dionika.