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Rejuvenation strategies: A comparison of winter sport destinations in Alpine regions

Abstract

Using the tourist area life cycle as a basic framework and with the help of tourism destination case studies, the aim of this paper is to investigate tourism destinations' initiatives to rejuvenate their product/service bundles. A literature review highlights recent contributions in the tourist area life cycle research and concludes with strategic alternatives of tourism destination growth. In the empirical part of the paper tourism destination management strategies are analyzed. We attempt to assess those indicators used by destination managers to set strategic decisions. Primary (interviews) and secondary data were collected to compare six individual Alpine tourism destinations in Tyrol, Austria. Interviews with CEOs of destination management organizations and cable-way companies (influential stakeholders in Tyrolean tourism development) revealed that all destinations in the study were in a stagnation phase at some point in their product life cycle, with sharp differences in derived policy responses. The study shows that in Tyrolean tourism areas, destination managers are aware of rejuvenation strategies, but they conceive these policies from a reactive perspective to market variations or increasing competition. The destinations are focused predominantly on the winter tourism, and none of them take advantage of summer tourism opportunities. The paper concludes with implications for tourism destination management and for further research in the area of destination development.

Keywords:

tourism destination; tourist area life cycle; destination management; Austria

Introduction

There are two different strategic views, derived from the discipline of strategic management, which can influence organizations and firms in a superior manner: the market-based view (MBV) (Porter, 2004) and resource-based view (RBV) (Wernerfelt, 1984; Penrose, 1980; Barney, 2001). These strategies are commonly implemented to achieve sustainable advantages and high returns. In tourism, sustainable competitive advantages should be built upon the destination's 'corporate' capabilities. These need to be

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constantly reinvented, since they determine the destination's competitive advantages. As tourism is a highly intangible product, only a few destinations have tangible capabilities (e.g. intellectual property right, exclusive licensed) on which they can rely in order to create sustainable advantages. Most of the destinations capabilities are intangible (e.g. strong brands, leadership, tacit knowledge and skills, teamwork, organizational culture).

The MBV approach considers environmental features and competition within industries. This approach assumes homogeneity within industries and considers that the industry and the firm's market position determines the resource requirement (Mason, 1949; Bain, 1951; Porter, 2004). Porter's "five forces" model supports the importance of market factors for the success of an organization. Market factors within an industry's environment are 1. bargaining power of suppliers; 2. bargaining power of customers; 3. threat of new entrants; 4. threat of substitute products and 5. the competitive rivalry within a market, which determines the performance of the firm/ organization (Porter, 1990, 2004; Caves, 1980). According to literature, the conditions of the external environment and an organization's resources have to be taken into account in order to maximize its outcomes (Grant, 1991; Grant, 2005; Kor, & Mahoney, 2005; Nicholls-Nixon, & Woo, 2003).

The second strategic perspective is a RBV, which is focused on management decisions in order to allocate internal resources (Badaracco, 1991; Friedrich, 1995; Hinterhuber, & Raich, 2004). This resource-oriented perspective regards firms as unique bundles of resources and capabilities. Both strategies are used complementarily in the strategic management of business and firms in order to better position them on the market (Yip, 1984; Badaracco, 1991; Storey, & Quintas, 2001; Hitt, Hoskisson, & Ireland, 2007). Several studies have been conducted to evaluate the impact of these two strategies on firms' performance (Hawawini, Subramanian, & Verdin, 2003; McGahan, & Porter, 1997; Rumelt, 1991), but limited efforts have been made on their implications for the strategic management of tourism destinations.

This paper attempts to shed more light upon the premises and implications for strategy formulation at tourism destinations from the RBV, the MBV, and the life cycle concept. The focus of this paper is on competitive strategies and competitive areas based on the theoretical elaboration of Porter (1990), whose applicability to the Austrian alpine tourism will be reviewed. Based on the destination life cycle model of Butler (1980), which emanated from existing studies on the application of the destination life cycle curve (Faulkner, 2002; Tooman, 1997; Agarwal, 1997; Douglas, 1997), various extension options of the tourist area life cycle concept and its constraints on the ability to develop are assessed. The study is based on in-depth interviews with tourism destination experts in six Tyrolean tourism destinations. We particularly focus on sport tourism destinations and pay special attention to destinations' performance monitoring and evaluation, acknowledgement and use of the destinations capabilities, and

strategy implementation. We conceptualize this evidence under the emergence of new tourism trends and changes in consumer behavior which are leading numerous destinations in Europe to struggle with declining overnight stays.

**The theoretical
framework:
Tourist area
life cycle**

The concept of life cycles was first mentioned by Levitt (1965), adapted and used by Butler for tourism research in the 1980's (Butler, 2005). Butler (1980) conceptualized an evolutionary cycle (tourist area life cycle or TALC), which describes the development of a destination area in terms of a series of stages defined by visitor numbers and infrastructure developed. The 'exploration', 'involvement', 'development' and 'consolidation' phases of the model signify growth, while the 'stagnation' stage represents a gradual decline. As the consolidation stage is entered the numbers of visitors declines. A major part of the area's economy is tied to tourism, while in the stagnation stage the peak number of visitors will have been reached. The area is well developed but no longer in fashion. The end of the cycle is marked by the 'post-stagnation' phase, which comprises a set of five options that a destination may follow. Decline may ensue if the market continues to wane and the destination is not able to compete with newer attractions. However, if counter-measures are adopted, such as the reorientation of tourist attractions, environmental enhancement, or the repositioning of destinations within an overall market, decline may be offset and varying degrees of rejuvenation and stimulated (Butler, 1980; Agarwal, 1997).

There have been some attempts in the literature to verify the life-cycle model on the basis of Butler's model. Mostly they were based upon historical or contemporary case studies. Oglethorpe (1984), for example, investigates the Maltese tourism industry and confirmed the tourist area life cycle model. As Butler (1980) suggests, destination development was mostly moving in an s-shaped curve (Oglethorpe, 1984). Cooper and Jackson (1989) highlight the relevance of the tourist area life cycle and the need to link model with other factors, such as management decisions or the quality of the resort. In contrast to the theory of Butler (1980), who determines a destination's current stage based solely on arrivals and overnight stays, Haywood's (1986) criteria focus on the percentage of tourist arrivals and annual growth rates.

Lundtorp and Wanhill (2001) criticize the model because they argue that in practice the evolution from one phase of development to the next is not as clear as the model suggests. Tooman (1997) goes further with these criticisms and questions the validity of the destination life cycle model due to the changing nature of tourism destinations. With any change in product, the life cycle would start all over again, making any resulting structure possible. Further, according to Agarwal (1997), applicability and reliability of the destination life cycle can also be criticized on the basis of the absence of geographical factors.

In summary, there are seven primary criticisms of Butler's tourist area life cycle (TALC) (1980) (see Prideaux, 2000): skepticism that the development of a destination

can be described through a single model, criticism of the concept of the product life cycle, criticism of the "carrying capacity", lack of empirical evidence to support the concept, problems with the application of the TALC for future tourism planning, and the precise form of the curve and location of turning points. Furthermore, Prideaux (2000) discussed the applicability of the model in practice, especially since only overnight stays and arrivals are used to position the destination in a particular stage.

Despite these heavy criticisms from various researchers, Butler's destination-life-cycle concept is used frequently in the tourism literature (Baum, 1998; Moore, & Whitehall, 2005; Smith, 1992; Stansfield, 1978). Several researchers have adopted the life-cycle concept to the life cycle of resorts (e.g. Agarwal, 2002; Andriotis, 2003, 2001; Bianchi, 1994; Debbage, 1990; Ioannides, 1994; Williams, Chaplin, & Middleton, 2001; Priestley, & Mundet, 1998). Others focused on the life cycles of destinations or regions (e.g. Williams, 1993; Smith, 1992a, b; Russell, & Faulkner, 1998; Meyer-Arendt, 1985, 1993; Martin, & Uysal, 1990; McElroy, de Albuquerque, & Dioguardi, 1993; France, 1991; Faulkner, 2002; Douglas, 1997; Cooper, & Jackson, 1989; Choy, 1992; Oglethorpe, 1984). Most researchers agree that in the life cycle of destinations, some stagnation or decline will eventually appear. However, there is not yet a broad consensus on the indicators which lead to stage identification. But there is consensus on the fact that rejuvenation can only be successful, though, if there is a complete change in the attraction on which tourism is based (Cooper, 1990, 1992). Therefore, it is crucial to recognize the signs of stagnation and alert core stakeholders of their presence. It needs to be emphasized that stagnation can only be averted if it is realized that the approaches of the past will not work in the future (Faulkner, 2002).

DESTINATION STAGNATION INDICATORS

Several areas have been suggested to evaluate destinations' performance, including changing markets, emerging destinations, new infrastructure, business performance, social and environmental carrying capacities, and institutional environment (Faulkner, 2002). A clear evaluation of these criteria is important to determine where a destination falls in the life cycle continuum. Faulkner (2002) suggested stagnation indicators (Table 1) as a starting point for the localization within the destination life cycle.

In order to eventually avoid further stagnation of overnight stays, destinations could try to increase their attractiveness for new guests by means of new products and offers. Little research has been done on the rejuvenation stage of the life cycle (Faulkner, 2002; Russell, & Faulkner, 1998; Williams, Chaplin, & Middleton, 2001; Knowles, & Curtis, 1999). Nevertheless, it is of paramount importance to position the destination and implement the strategies with a well-defined target group in mind.

Table 1

STAGNATION INDICATORS

Problem areas of the destination	Indicators
Market change	• More and more day tourists or visitors with lower income
	• Strong concentration on repeat visitors and too little penetration of the short-trip market
	• Decline of duration of stay
Development of new destinations	• Only little increase in new customers
	• Strong seasonality
Infrastructure	• Rising competition through new destinations
	• Destination is well known, but out of fashion
	• Accommodation and comfort are outdated
	• Newly established lodgings are outside of tourist conurbations
Economic position	• The destination is overcrowded and "kitschy"
	• Capacity limits of the tourism industry are reached
	• High number of artificial attractions which outnumber the natural offers of former attraction points
Natural influences	• Declining profits in the tourism industry
	• Lack of innovative entrepreneurs and capable staff
Social and ecological capacity boundaries	• Weather influence (bad snow conditions)
	• Positioning of national (school) holidays
Social and ecological capacity boundaries	• The visitor numbers exceed the capacity limits of a destination
	• Locals are more and more opposed to tourism

Source: Faulkner, 2002

REJUVENTATION STRATEGIES

Butler (2005) points out that successful rejuvenation requires a complete change of the attraction on which tourism is based. So far only two strategies have been successful: 1) the addition of man-made attractions or 2) the use of untapped natural resources (Butler, 2005). However, a complete reorientation of a destination, as suggested by Butler, might be not feasible due to financial or political constraints. Thus, Agarwal (1994, 2005) suggests an alternative stage after the stagnation stage, the "reorientation stage", where the efforts made by the destination for renewal take place. The reorientation stage might be of interest for destinations where no clear stagnation stage can be determined (Butler, 2005).

During this reorientation stage, several product management strategies can be implemented (Kotler, 1991): quality improvement, optimization of product characteristics and improvement of the external appearance. The purpose of quality improvement is to increase the durability and longevity of the product. This applies also to destinations because increasing value for customers leads to a more positive image and an increased consumer base. By optimizing the products of a destination, new products are added and existing ones are modified according to their safety and versatility. Furthermore, the aesthetic design of the destination or service package can also be adapted to new trends (Milman, 1999). Flagestad and Hope (2001) suggest similar strategies to ensure

the survival of a destination. In addition to these, they defend the relevance of sustainable value creation to ensure long-term competitive advantages. To do so, destinations are forced to develop core competencies in the long-run based on their resources.

One way to do so is turning destinations into brands. To maintain the competitiveness of a destination, strategies and new processes are needed to ensure quality service. Traditional products can still serve as a core offer, nevertheless, efforts must be implemented so that new developments are possible. For example, winter sport destinations have skiing and snowboarding as their core product, but with the increasing popularity of high-risk sport alternatives, one strategy could be to implement new extreme sports infrastructure and services. The sport itself is important, but accommodation and other attractions, such as events, should be provided as to satisfy consumers' demand. Another way of surviving product life cycle stagnation with traditional tourism products is to include existing tourism structures in strategic considerations. In a case study of Priestley and Mundet (1998) in which the post-stagnation of Spanish coastal destinations is analyzed, the price-performance ratio stated as the most important point for the modification of the existing product bundle. Existing products in the region under analysis were renewed and reshaped, jointly with improvements to the natural environment.

This constitutes a diversification strategy, and it can be seen as a market penetration with new products. Customers must first accept the new products which, in turn, are constantly adapted to the changing needs of hybrid customers. Wilkinson (1987) suggests that the diversification of the tourism products can be an effective strategy for renewal, but he indicates that not all nations have the necessary resources to enforce such a strategy. For example, Grand Isle completely renovated and restored its facilities to expand the entire region, which of course, was associated with high costs (Meyer Arendt, 1985).

Alpine countries, which mainly serve the German tourism market, are suffering share losses in the tourism industry as a result of an intensified competition among different European tourism regions. While this competition can be detrimental, cooperation between suppliers (e.g. tour operators, travel agents) could lead to increased benefits of destinations regionally. For example, the formation of a "knowledge network" could be an opportunity to overcome the weaknesses of individual destinations and to allow the extension of the life cycles of destinations at any stage of growth (Pechlaner, 1999). Another way to extend the destination life cycle and to maintain the competitiveness of a region would be the development of new geographically differentiated markets through additional marketing initiatives of existing products. To implement such a strategy successfully, cooperation among various destinations is needed to create a unified marketing campaign (e.g. "Best of the Alps") (Pechlaner, 1999). Tourism destinations have discovered branding as an important part of marketing. Many tourism regions and ski resorts in the Alpine region have created a brand identity over the years. Places such as Kitzbühel, Chamonix or St. Moritz are known worldwide (Ritchie, & Ritchie, 1999).

Also, the development of innovative products offers the possibility for new tourist markets. The success of this strategy depends on new product contents and product orientation. Special positioning is also seen by Knowles & Curtis (1999) as an important strategy to capture a share of an emerging tourism market. Within this context, positioning is understood as more than just promotion. Even the pricing and the type of product are important here. Destination can use to overcome the imminent stagnation of visitor numbers and continue to exist within a competitive market (Pechlaner, 1999). Pechlaner (1999) adopts Ansoff (1957) and first suggests a strategy of market penetration with existing products through modification, which takes investment in infrastructure. Secondly, market expansion within existing products is suggested. A third strategy is market penetration with new products, and finally, diversification of new products in expanded markets and market segmentation can also lead to increases in visitor stays.

Table 2

INDICATORS OF REJUVENATION STRATEGIES WITHIN THE COMPETITIVE FIELDS OF A DESTINATION

Factor conditions (supply side)	Demand conditions
Natural conditions (high altitude, snow certainty)	• Define target markets
Accommodation (quality, variety)	• Bring new customers to the destination
Food and catering (quality, variety)	• Fulfilling the wishes / ideas of customers
Local transportation efficiency / quality	• Improve customer satisfaction through quality service
Facilities for possible events (capacity)	• Training programs to improve the service quality
Health facilities	• Local support for the tourism industry
Financial Institutions	• Intensity of communication between locals and tourists
Telecommunication systems for tourists	• Existence of programs to ensure and develop hospitality
Neighboring and supporting industries	• Destination structure and competition
Sports facilities (e.g. ski lifts, snowboard parks, cross-country skiing)	• Marketing and management structure of the destination
Special events / festivals	• Supply and use of statistical information
Theme parks	• Identification of the main competitors and their product offerings
Nightlife	• Involvement of various stakeholders in management decisions
Alternative entertainment	• Strengthening of the destination image
Adventure activities	
Rehabilitation activities	

Source: from Dwyer, & Kim 2003, p. 400

These strategies will serve as a basis for this qualitative empirical study. The purpose is to verify how viable these strategies may be in the selected Tyrolean destinations in terms of costs and potential funding to implement them. Table 2 provides a selection of possible areas for rejuvenation strategies, which are subdivided according to the classical competitive factors of competitiveness of Porter (1990). All of these strategies are especially applicable to winter sports destinations (Table 2).

The empirical part of this paper addresses those strategies more thoroughly. This includes strategies that have been used by Alpine tourism destinations to maintain their competitiveness on the market, to further boost growth or to escape the threat of stagnation. In particular, we focus on the moment in which the strategies are used and whether they are successful in achieving their intended effects.

Research design

We chose 6 amongst the top 15 Tyrolean destinations in terms of overnight stays (Landesstatistik Tirol, 2006) for the following analysis (Table 3). These cases are selected in sake of variability, since they differ from each other according to several criteria: Sölden and Tux are two glacier destinations facing similar conditions, but differing substantially regarding the number of overnight stays. The destination management of Serfaus-Fiss-Ladis is well known for its strategic attempts to continuously develop new product and service bundles. Ischgl and Mayrhofen are included as examples of the best-known Tyrolean winter sport resorts focusing on young target segments: while Ischgl is known as party and event destination for young people, Mayrhofen has the biggest snowboard park in Europe. Furthermore Tux was chosen, because of its direct competition with Mayrhofen, since the two destinations are located in the same valley. Finally, Sankt Anton was chosen for its membership in the international successful marketing cooperation "Best of the Alps."

Table 3

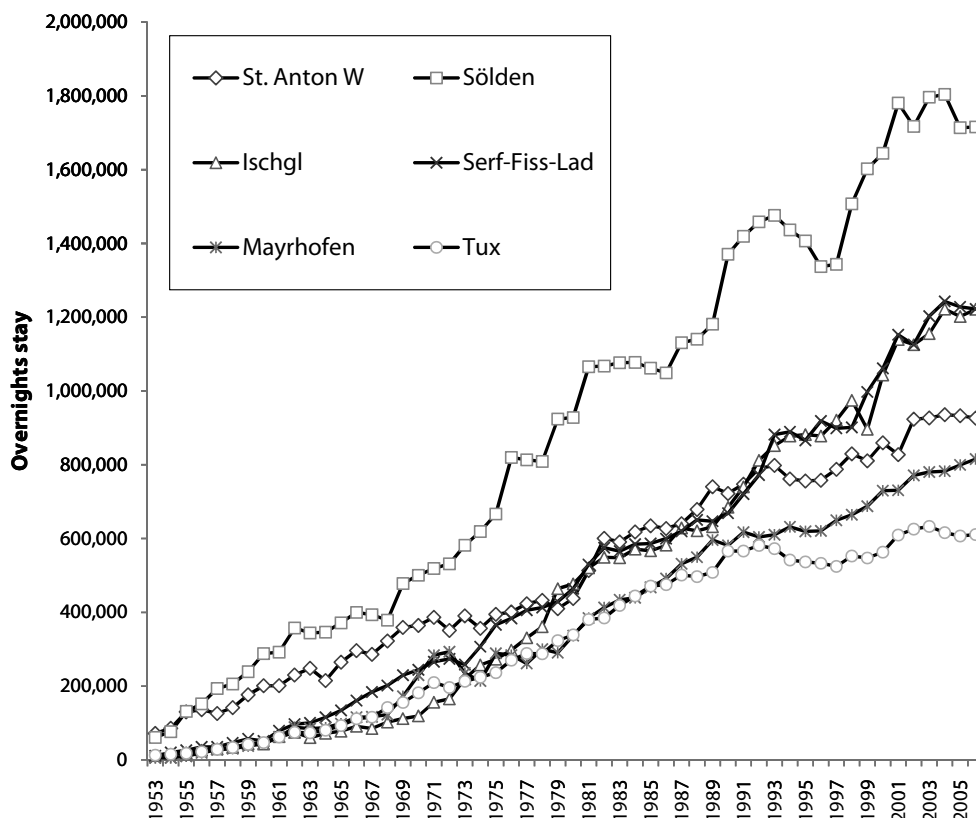
RESIDENTS & TOURIST OVERNIGHTS IN SELECTED DESTINATIONS

Destination	Sölden	Ischgl	Serfaus-Fiss-Ladis	Mayrhofen	Sankt Anton	Tux
Number of residents	3,166	1,500	3,679	2,415	2,580	1,978
Number of winter overnight stays (2006)	1,715,724	1,221,471	1,222,513	815,648	926,640	610,920

Source: Landesstatistik Tirol, 2006

Figure 1 compares the growth in overnight stays of the selected destinations. Though Sölden has higher overnight stays than the other destinations in the sample, periods of stagnation can be seen. Serfaus-Fiss-Ladis and Ischgl show very similar patterns of development. Both destinations focus on the same specific market segment, which gave them the opportunity to differentiate from competitors, like Mayrhofen, St. Anton am Arlberg and Tux during their emergence. Mayrhofen and Tux seem to walk hand in hand, a fact, which might be explained through geographic proximity. The number of overnight stays of Tux did not show strong increase since the beginning of the nineties. In comparison Mayrhofen is experiencing constant growth albeit at a low.

Figure 1
COMPARISON OF DESTINATIONS OVERNIGHT STAYS, WINTER 1953-2006



Source: Landesstatistik Tirol, 2007

In these destinations, destination management organizations (DMO) and cable-way companies are very influential and powerful stakeholders with a sound knowledge of recent tourism development. Therefore, in-depth interviews with the CEOs of either the destination management organizations or cable-way companies were carried out. All managers interviewed have held their position for at least 5 years and thus, are familiar with the past destination development¹. Interviews were conducted during the period of May and June 2007 following a semi-standardized and guided interview. The average interview took between 45 to 79 minutes and was held in form of a structured face-to-face dialogue.

The interviews were structured as follows. The first section included questions about the role and demographics of the respondent. Mainly his/her position within the destination was determined in order to ensure that he/she was sufficiently knowledgeable. The second section assessed the respondent's view of the destination's development in the past, including his/her awareness of stagnation indicators. The respondent was asked to describe the development of the destination over a period of ten to twenty years. Part three focused on various destination strategies and their associated indicators of rejuvenation. Among others, the following questions were addressed during the interview: (1) Which existing products of your destination have been changed?,

(2) Why did the changes take place?, (3) Which new tourist markets are of interest for your destination?, (4) Have there been actions to open up new markets?, (5) What are the newest products in your Destination?, and (6) What is the unique selling proposition of your Destination? Additional information was gathered on local visitation statistics, homepages and other materials (e.g. reports, brochures) provided by the tourism boards.

Results and discussion

As already pointed out, one of the main goals of the study was to identify what indicators managers consider when trying to identify the stage of the destination-life-cycle and, in particular, that related to stagnation. In that respect, respondents were asked to describe the indicators they usually observe. In general, respondents identified stagnation periods during the nineties (as presented in Table 4). Respondents mentioned the loss of market share in the German market as well as some uncontrollable reasons for decreased number of tourists during these years, as bad weather and inconvenient dates of holidays like Easter. Local tourism managers blame bad economic development in Germany for the loss of market share rather than a decline in the quality of tourism products. Seizing market share in other markets was the common counter-strategy, and respondents show a wide agreement on the fact that the situation will regulate by itself.

Table 4 also compares the indicators of stagnation mentioned by the respondents at each destination. A quick glance makes clear that respondents point out the decreasing duration of stay (being a general market trend), as responsible for stagnating overnight stays. Further, they also identify exhausted capacities in the tourism industry as a relevant indicator. Weaknesses in personal management are hardly taken into consideration. For example, the management of Ischgl is the only destination indicating a missing strategic orientation as reason for stagnation in growth. Three of six respondents believe that outdated infrastructure could have been a matter of stagnation in the past. The respondent from Tux was the only one pointing out to nostalgia for urban leisure activities as a reason for stagnation. There is currently no effort for improvements in this direction. Another factor arising from the interviews is the emergence of cheap standardized destinations offering sun and beach holidays.

The identified strategies spread just about equally upon the factors of competitiveness as defined by Porter (1990). According to the results from the interviews, all destinations operate more or less successful in the four fields of competition. Aside from permanently adjusting the quality of factor conditions, the destination managers focus on the analysis of changing demand conditions. Winter sport and winter sports industry (as related branches) constitute an important factor for rejuvenation strategies. Destination image campaigns and the analysis of the competitive environment are two important management activities used to prolong the destination life cycle.

Table 4

COMPARISON OF INDICATORS OF STAGNATION IN SELECTED DESTINATIONS

Indicators for stagnation	Sölden	Ischgl	St. Anton am Arlberg	Serfaus- Fiss-Ladis	Mayr- hofen	Tux
Cooperation						
• Lack of team work/ networking between the nearby destinations				X		
Market changes						
• Strong focus on repeat visitors	X		X	X	X	X
• Decreasing holiday duration	X	X	X	X	X	X
• Lack of a proper amount of new customers compared to the numbers of repeat customers			X		X	X
• Seasonality			X			X
• Looses in German market share	X		X			X
• Crises in the related sport industry in the 90ties	X	X				
Development of new destinations						
• Increasing competition		X	X	X	X	X
Infrastructure						
• Old-fashioned accommodation			X	X		X
• Capacity limit of the tourism industry is reached	X	X	X	X	X	X
• Only little urban entertainment services/products are available						X
Economic situation						
• Lack of innovative entrepreneurs	X		X		X	
• Lack of strategy in the 1990s		X				
Natural influences						
• Weather condition	X	X	X		X	X
• Positioning of bank holiday or holidays within the year	X				X	X
Social und ecological capacity limits						
• Numbers of visitors exceed the capacity boundaries of the destination			X			
Other sources						
• Interaction of positive and negative factors		X				
• Communication outward; missing medium operational readiness level		X				

Table 5 shows rejuvenation indicators mentioned in the interviews with the destination managers. All the respondents indicate the high quality of ski lifts and slopes in their destination as a rejuvenation strategy, because the steady improvement of infrastructure is considered to yield increased overnight stays. The only exception is the

management of Mayrhofen, which aims at holding, instead of increasing, the occupancy rate of the destination. The destination managers emphasize customer satisfaction as a result of service quality. As a result, there has been a continuous improvement of accommodation facilities and infrastructure. Respondents highlight that their destination differentiates itself from the competition through ski lifts, slopes, skiing resort size and the altitude of the destination. A further important component stated by the majority of respondents is the development of events and consolidation of the image. In the same way, they consider relevant the identification of target markets and development of actions aiming at increasing customers as part of rejuvenation strategies. Finally, including competitor's products and services in decision-making is of strategic importance according to all respondents. Ischgl follows the strategy of differentiating via offering urban nightlife and experience shopping. In this respect, Sölden tries to market their services through a constant presence in the media.

Table 5
INDICATORS OF REJUVENATION STRATEGIES IN SELECTED DESTINATIONS

Indicators for rejuvenation	Sölden	Ischgl	St. Anton am Arlberg	Serfaus- Fiss-Ladis	Mayr- hofen	Tux
Factor conditions (supply)						
• Natural occurrences (altitude, snow security)	X		X		X	X
• Accommodation (quality, variety)	X	X		X	X	X
• Food and food supply		X		X		
• Local efficiency of transport, quality of transport		X	X			
• Facilities for possible events		X	X			
• Changes towards child-orientated services			X			
Related industries						
• Sport facilities	X	X	X	X	X	X
• Special events/festivals	X	X	X	X	X	
• Ski school			X			
• Other entertainment programs	X	X				
• Theme parks		X				
• Nightlife		X			X	
• Experience shopping		X				
Demand conditions						
• Permanent media presence	X					
• Define target markets	X	X	X	X	X	X
• Acquire new customers for the destination	X	X	X	X	X	
• Fulfillment of the customers desires, conceptions of the customers, meet customers	X	X		X		
• Increase customer satisfaction through service quality	X	X	X	X	X	X

Table 5 **CONTINUED**

Indicators for rejuvenation	Sölden	Ischgl	St. Anton am Arlberg	Serfaus- Fiss-Ladis	Mayr- hofen	Tux
Structure of destination and competition						
• Supply and use of statistical information	X	X		X		
• Identification of the main competitors and their product offers	X	X	X	X	X	
• Involvement of different stakeholder in management decisions	X	X				
• Strengthening the image of the destination	X	X	X	X	X	
• Cooperation and branding			X			

All the destinations included in this study attempt to follow at least one of the strategies outlined by Pechlaner (1999), as presented in Table 6: market penetration with existing products and product modifications, market expansion with existing products, market penetration with new products, diversification with new products into extended markets/market segmentation. Existing products are constantly improved so the destinations can adapt to demand changes. The extension and upgrading of ski lifts and other infrastructure, but not radical innovations, fall into the category of "improving". Five of six destinations want to enter new markets with existing products. In this respect, the eastern European market is of special interest. Only Ischgl and St. Anton follow the strategy of entering new markets by developing new products. The other destinations place their efforts on holding the level of overnight stays with existing products. Serfaus-Fiss-Ladis merely pursues two of the identified strategies. Therefore, there is no support for a relation between the number of strategies implemented and destinations' success.

Table 6

COMPARISON OF STRATEGIES WITHIN THE DESTINATIONS

	Sölden	Ischgl	St. Anton	Serfaus- Fiss-Ladis	Mayr- hofen	Tux
Strategy 1:						
Market penetration with existing products and product modifications	X	X	X	X	X	X
Strategy 2:						
Market expansion with existing products	X	X	X	X	X	
Strategy 3:						
Market penetration with new products	X	X	X			
Strategy 4:						
Diversification with new products into extended markets/market segmentation		X	X			

In sum, it is shown that Tyrolean winter sport destinations have indeed developed rejuvenation strategies. These strategies, though, are not independently pursued, but rather enforced by changes in the market and growing competition. The management tries to think in the long-term and attempts to incorporate trends. But reactions to stagnation are quite hesitant. However, pursuing these strategies during growth periods could help prevent of the appearance stagnation stages. The majority of destinations analyzed in this study could be more successful to proactively apply these rejuvenation strategies before stagnation becomes an issue. However, the interviews support that as long as overnight stays do not break away dramatically, destination managers do not implement improvements in products and services seriously.

Implications and conclusions

This study analyzes the rejuvenation strategies of six Tyrolean tourism destinations by means of in-depth interviews. Our analysis reveals a number of factors, which are the basis for successful adaptation strategies. First, our results suggest that some destinations have reached a level of differentiation, which has helped them to gain a sound image and reputation. This includes Ischgl, Sölden and Serfaus-Fiss-Ladis. St. Anton is well-known as a sport and competition area, but they have enhanced their product portfolio with the inclusion of conference tourism for the summer or low-season periods. Secondly, we have found that the approach towards rejuvenation strategies in the destinations under analysis is mostly reactive instead of proactive. Destination managers are aware of changes in the demand structure and still they react very slowly, precluding an early reaction to challenges. The result of lack of effective innovation and knowledge management, is that destinations remain as later adopters, losing potential first-mover benefits. Destination managers blame climate and weather conditions for business failures in the destination. They do not consider long-term social and ecological variables as important as market change indicators (e.g. such as market share development) in taking strategic decisions. However, destination managers' awareness of ecological impacts is crucial for proactive climate change adaptation in Alpine destinations. Destination managers need to develop the ability to manage change, for which the use of indicators is crucial. However, it is still unclear which indicators play the most important role in defining strategic decisions for destination development to avoid collapse. During the last 10 years Tyrolean tourism organizations were reduced from over 200 to 36 tourism destination organizations: today these large destination organizations have about 30-40 employee and internalize basic tourism management and marketing qualifications.

Third, although requests for interviews were answered immediately by the destinations, information regarding resorts was mostly vague and imprecise. Though, it is relevant for the creation of innovative strategies to have relevant data from monitoring programs.

Fourth, the results show that tourism destinations are strongly influenced by changing environments but rarely plan proactively. Thus, a lack of long-term or strategic innovation management is apparent. Monitoring market changes and therefore collecting

relevant data and scanning relevant information sources is carried out in an improvised and unsystematic way by respondents in our survey. Despite the evidence in the tourism literature of the positive effects of creating clusters with related industries, our results do not find support for an open view towards cooperation by destination managers.

These results contribute to the understanding of rejuvenation strategies in mature Alpine destinations. Some limitations of this paper offer opportunities for future research in the area. Our analysis is based on dichotomous responses to broad categories of rejuvenation strategies. Respondents have identified the most important indicators of rejuvenation strategies and then identified the type of strategies in which they are engaged. However, we have not been able to measure the weights of implication in each of the strategies by the different destinations nor the specific actions undertaken within each strategy. Initial findings in this study show that this would constitute valuable information to further analyses of preferred rejuvenation actions by destinations. Further, this type of information would also enable researchers to determine if different destinations engage in competing rejuvenation strategies which might neutralize one another, resulting on a zero-sum game, or if rejuvenation strategies by the different destinations reinforce each other.

Further, our research focused on a small sample of six destinations in the Tyrol. It would be interesting to replicate this study for a larger sample of destinations including other geographical locations, so that we can see if the results of this paper can be generalized to other tourism destinations.

Acknowledgement:

We gratefully acknowledge the support by the Government of the Balearic Islands, Project Progecib-9B. The authors would also like to thank Dagmar Holzmann for her assistance and collection of relevant primary and secondary data.

Notes:

¹ Interview partners were the Alumnus head of the DMO Sölden, the Executive of the DMO Paznaun – Ischgl, Executive DMO Mayrhofen, Executive of the Fisser mountain railways and board member of the DMO Serfaus-Fiss-Ladis, Head of the DMO St. Anton am Arlberg and Executive of the DMO Tux – Finkenberg

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Submitted: 11/25/2009

Accepted: 12/05/2010