

ATTRIBUTES OF DESTINATION COMPETITIVENESS: A FACTOR ANALYSIS

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A model is developed to capture the main elements of competitiveness highlighted in the general literature, while appreciating the special issues involved in exploring the notion of destination competitiveness as emphasized by tourism researchers. Associated with the model is a set of indicators that can be used to measure the competitiveness of any given destination. These indicators, comprising both objective and subjective measures, were identified from the major elements comprising the generic destination competitiveness model and also from discussions at workshops held in Korea and Australia in 2001. This article has three major objectives: to display a model of destination competitiveness that identifies key success factors in determining destination competitiveness; to display the findings arising from the application of factor analysis to survey data collected in a study of Australian and Korean tourism industry stakeholders; to explore issues for further research arising from the study.

Key words: Destination competitiveness; Factor analysis; Tourism industry

To achieve competitive advantage for its tourism industry, any destination must ensure that its overall attractiveness, and the tourist experience, must be superior to that of the many alternative destinations open to potential visitors. Existing and potential visitation to any destination is inextricably linked to that destination's overall competitiveness, however that is defined or measured.

The development of a model of destination competitiveness allows tourism stakeholders in both the private and public sector to identify key

strengths and weaknesses of their destination from the visitor perspective, to highlight opportunities for tourism development, and to develop strategies to counter possible threats to future visitation. The set of indicators of competitiveness also facilitates measurement of relative performance of the tourism industry against competitor destinations with respect to key criteria: visitor numbers, expenditure, market share, foreign exchange earnings, economic impacts on income and employment, etc.

While the discussions of competitiveness in the general literature are useful in highlighting the various determinants of “firm” or “national” competitiveness (Cho, 1998; Moon & Peery, 1995; Narashima, 2000; Waheeduzzan & Ryans, 1996), they do not address the special considerations relevant to determining tourism “destination” competitiveness. In contrast to a specific manufactured product, for example, a tourism destination may be regarded as “an amalgam of individual products and experience opportunities that combine to form a total experience of the area visited” (Murphy, Pritchard, & Smith, 2000, p. 44). It is the visitor’s “total experience” that is relevant to destination competitiveness and that presents a difficult challenge for the tourism researcher to fully articulate.

This article has three major objectives: first, to display a model of destination competitiveness that identifies key success factors in determining destination competitiveness; second, to display the findings arising from the application of factor analysis to survey data collected in a study of Australian and Korean tourism stakeholders; third, to explore issues for further research arising from the study.

A Model of Destination Competitiveness

The ultimate goal of competitiveness is to maintain and increase the real income of its citizens, usually reflected in the standard of living of the country (Garelli, 2000; Porter, Sachs, & McArthur, 2001). From this perspective, the competitiveness of a nation is not an end in itself but a means to an end; the ultimate goal of industry development is to increase the standard of living of people.

Regarding destination competitiveness, Dwyer, Forsyth, and Rao (2000) state that it “is a general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry, and qualitative factors affecting the attractiveness or otherwise of a destination.”

The model displayed as Figure 1 brings together the main elements of national and firm competitiveness as proposed in the wider literature (Moon & Peery, 1995; Narashima, 2000; Porter, 1990; Waheeduzzan & Ryans, 1996) and the main elements of destination competitiveness as proposed by tourism researchers (Buhalis, 2000; Hassan, 2000;

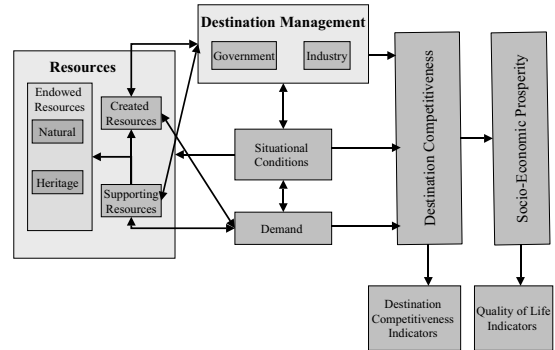


Figure 1. Integrated model of destination competitiveness.

Mihalic, 2000). The model contains many of the variables and category headings identified by Crouch and Ritchie (1994, 1995, 1999), and Ritchie and Crouch (1993, 2000) in their comprehensive framework of destination competitiveness. The model was developed in a collaborative effort by researchers in Korea and Australia (Department of Industry, Science and Resources, 2001).

Workshops were conducted in both Australia and Korea during April and May 2001. In Australia, an invitation was sent to major tourism industry organizations requesting them to send a representative to the workshop. Fourteen industry representatives attended the Sydney workshop while nine attended its counterpart in Brisbane. Although these numbers are not large, the interactive discussion provided the researchers with extremely useful input into model development and survey development. Participants at these workshops identified the important indicators of destination competitiveness falling under the main elements of the destination competitiveness model. In Korea, focus group meetings, which were comprised of academia, travel business sectors (travel agencies, hotels, theme parks), and government officials, were held in Seoul three times to identify important indicators that can be applied to destination competitiveness.

Figure 1 classifies the determinants of destination competitiveness under eight main headings.

Core Resources and *Supporting Factors and Resource* are those attributes of a destination that attract visitors and comprise the basic foundations of a sustainable tourism industry (Crouch & Ritchie, 1999). Together, they underpin destination competi-

tiveness. Core Resources are divided into two types: *Endowed (Inherited)* and *Created*. Inherited Resources, in turn, can be classified as Natural (mountains, lakes, beaches, rivers, climate, etc.) or Cultural/Heritage (cuisine, handicrafts, language, customs, belief systems, etc.) Created Resources would include attributes such as Tourism Infrastructure, Special Events, the Range of Available Activities, Entertainment, and Shopping. *Supporting or Enabling Factors and Resources* include: General Infrastructure, Quality of Service, Accessibility of Destination, Hospitality and Market Ties (Dwyer & Kim, 2003).

Destination Management factors are those that “can enhance the appeal of the core resources and attractors, strengthen the quality and effectiveness of the supporting factors and resources and best adapt to the constraints imposed by the (situational conditions)” (Crouch & Ritchie, 1999, p. 149). The category includes the activities of Destination Management Organizations, Destination Marketing Management, Destination Policy, Planning and Development, Human Resource Development, and Environmental Management (Ritchie & Crouch, 2000; Dwyer & Kim, 2003). In the model presented here, a distinction is made between Destination Management activities undertaken by the public sector and Destination Management undertaken by the private sector. Included among the activities of the public sector we would find the development of national tourism strategies, marketing by the National Tourism Organization, national and regional manpower programs, environmental protection legislation, etc. Included among the activities of the private sector we would find those of tourism/hospitality industry associations, industry involvement in and funding of destination marketing programs, industry training programs, industry adoption of “green” tourism operations, etc.

Demand Conditions comprise three main elements of tourism demand: Awareness, Perception, and Preferences. Awareness can be generated by various means including destination marketing activities. The image projected can influence perceptions and hence affect visitation. Actual visitation will depend on the match between tourist preferences and perceived destination product offerings.

Situational Conditions are forces in the wider external environment that impact upon destination

competitiveness. Situational conditions relate to economic, social, cultural, demographic, environmental, political, legal, governmental, regulatory, technological, and competitive trends and events that impact on the way firms and other organizations in the destination do business, and present both opportunities and threats to their operations (David, 2001). These conditions correspond to the Qualifying and Amplifying determinants as identified by Crouch and Ritchie (1999). For present purposes it is useful to regard the situational conditions as falling within one of two interactive and interrelated contexts of organizations operating in the destination: the operating environment and the remote environment. The operating environments of the different private and public sector institutions in a destination are important because, to a large extent, the conduct and performance of these institutions depends on the overall structure of the industry in which they are situated. The operating environment is associated with industry structure, firm conduct, and performance (McGee, 1988; Porter, 1990). The remote environment comprises those forces and events outside the destination that constrain the strategic options of organization managers but over which management have no control; for example, exchange rates movements, government fiscal policy, or world economic conditions (Johnson & Scholes, 1997, p. 89; Tribe, 1999, p. 158).

In Figure 1 the core resources and supporting resources are grouped together, indicating the importance of the resource base for destination competitiveness. As management theorists emphasize, resources may be endowed or created. And the business organization “supporting” tourism activity is viewed as a collection of specific skills not easily imitable by rivals and, hence, a source of sustained competitive advantage (Amit & Schoemaker, 1993; Barney, 1991; Prahalad & Hamel, 1990).

The single-direction arrows from Supporting Factors to Endowed Resources and Created Resources indicate that the mere existence of such resources is insufficient to generate visitation to a destination in the absence of tourism infrastructure (accommodation, transportation, restaurants, organized activities, entertainment, shopping, etc.), which enables or facilitates visitation. Such attributes represent “value-added” by organizations in the destination to the overall tourism product.

There are two-directional arrows linking both Created Resources and Supporting Factors to Demand and to Destination Management. These arrows indicate a two-way causal link. Thus, specific features of Created Resources and Supporting Resources influence Demand, while the nature of Demand Conditions (specifically tourist preferences and motives for travel) influences the types of products and services developed within a destination. In similar vein, specific features of Created Resources and Supporting Resources influence Destination Management to achieve and maintain sustainability, while the activities of public and private sector tourism organizations influence types of products and services developed.

There is an arrow from Situational Conditions to each of the boxes for Resources, Destination Management, and Demand, indicating the influence of political, economic, sociocultural, technological, environmental, and other variables on each of the key elements of the model. Thus, economic conditions may affect the amount and types of Created Resources; political variables such as "approved" tourist areas might impact on aspects of Destination Marketing, and sociocultural variables such as demographic changes might affect tourism Demand for particular types of travel, etc. There is also an arrow indicating the direct impact that changes in Situational Conditions (e.g., terrorist activity) have directly upon attributes of Destination Competitiveness (e.g., visitor flows).

Destination Competitiveness, the outcome of the process, is linked backwards to the various determinants of competitiveness and forwards to Socioeconomic Prosperity, or Quality of Life, indicating that destination competitiveness is itself an intermediate goal toward a more fundamental aim. Each of these objectives is associated with a set of indicators.

Indicators of Destination Competitiveness

A set of indicators of destination competitiveness was identified from a search of both the tourism-specific literature and the wider management literature. The selected set of indicators was also based on discussions at workshops held in Korea and Australia during April and May 2001. The 294 respondents were from databases of tourism industry stakeholders in both Australia and Korea and comprised

industry operators/peak groups, government officials, and tourism research academics. Participants at these workshops identified the important indicators of destination competitiveness falling under the main elements of the destination competitiveness model.

The indicators used in this study are those appearing in Table 1. There is no single or unique set of competitiveness indicators that apply to all destinations at all times. For any given element of destination competitiveness, any number of indicators may be employed as measures.

Two survey instruments were prepared from the list of indicators of destination competitiveness and posted at different sites on the World Wide Web. The surveys contained the same set of questions. Korean respondents had access to an English language and also a Korean language version of the survey. The Korean language survey is located at <http://bus.uws.edu.au/economics/korquest.htm> while the English language survey is located at <http://bus.uws.edu.au/economics/ausquest.htm>. The surveys required Korean respondents to rate Korea's performance and Australian respondents to rate Australia's performance, on a 5-point Likert scale, on each of 83 competitiveness indicators, against a reference group of destinations. The options ranged from 1 = well below average to 5 = well above average, plus 6 for "don't know/not sure."

The reference set of destinations was nine major Asia Pacific destinations, each of which competes with Australia and Korea for visitors from within and outside the region: Japan, Hong Kong, Malaysia, Thailand, Taiwan, China, Singapore, Indonesia, and Australia/Korea (depending on the nationality of the respondent). The reason for nominating a reference group of destinations was to provide a benchmark or yardstick for comparison of Australia's and Korea's destination competitiveness, because it would be meaningless to ask respondents to give absolute ratings for any destination on any given attribute of competitiveness.

The respondents were selected from databases of tourism industry stakeholders in both Australia and Korea. For Australia, the main sources of email addresses were the files of the (former) Tourism Council of Australia, the nation's peak tourism industry body, and the membership of the Council of Australian University Tourism and Hospitality Educators

Table 1
Twelve-Factor Solution for Destination Competitiveness Indicators

	Factor Loadings	Model Element
Factor 1: Destination Management		
Tourism development responsive to community needs	0.780	6
Tourism development responsive to visitor needs	0.769	6
Destination "vision" reflecting visitor values 0.752 5		
Level of cooperation between firms in destination	0.727	6
Entrepreneurial qualities of local tourism businesses	0.706	6
Access to venture capital	0.705	6
Destination vision reflecting industry stakeholder values	0.695	5
Foreign investment in destination tourism	0.682	6
Quality of research in tourism	0.673	5
Hospitality development programs for residents	0.672	5
Tourism firms with business ethics	0.668	6
Cooperation between public and private sector	0.665	5/6
Destination with clear policies in "social" tourism	0.661	5
Tourism training responsive to visitor needs	0.636	5
Communication between tourists and residents	0.633	4
Investment environment for tourism development	0.632	5
Packaging of destination experiences for visitors	0.628	6
Destination links with major origin markets	0.628	6
Fit between destination products and consumer preferences	0.627	6
International awareness of destination's product	0.621	5
Responsiveness of tourism industry to visitor needs	0.619	6
Private sector recognition of importance of "sustainable" tourism	0.614	6
Links between destination and travel trade	0.606	6
Tourism firms ensuring visitor satisfaction	0.589	6
Value for money in destination experiences	0.581	8
Resident support for tourism development	0.581	4
Public sector recognition of "sustainable" tourism	0.581	5
Overall destination image	0.572	5
NTO reputation for attracting visitation	0.553	5
Range/quality of training programs	0.551	5
Capabilities of managers	0.526	6
Private sector commitment to education & training	0.524	6
International awareness of destination	0.516	5
Community support for special event	0.497	4
Attitudes of residents towards visitors	0.488	4
Factor 2: Nature-based Resources		
Water-based activities	0.847	3
Unspoiled nature	0.844	1
Adventure activities	0.826	3
Tourism development integrated with industry development	0.741	6
Flora & fauna	0.804	1
Nature-based activities	0.786	1
National parks, nature reserves	0.783	1
Recreation facilities	0.756	3
Attractiveness of climate for tourism	0.462	1
Natural wonders/scenery	0.688	1
"Cleanliness" of destination	0.558	1
Visitor accessibility to nature areas	0.742	3
Sport facilities (e.g., golf, tennis)	0.754	3
Health/medical facilities for tourists	0.673	4
Value for money in accommodation	0.604	3
Accommodation (variety, quality)	0.596	3
Special events/festivals	0.575	3
Entertainment (e.g., theaters, galleries)	0.556	3
Convention facilities (capacity, quality)	0.516	3
Tourist guidance and information	0.511	4
Local tourism transportation efficiency/quality	0.502	3

Table 1 continued

	Factor Loadings	Model Element
Variety of cuisine	0.471	3
Financial institutions/currency exchange facilities	0.453	4
Food service facilities	0.447	3
Security/safety of visitors	0.373	4
Factor 3: Heritage Resources		
Traditional arts	0.813	2
Artistic and architectural features	0.800	2
Historic/heritage sites	0.795	2
Cultural precincts	0.607	3
Factor 4: Quality Service		
Telecommunication system for tourists	0.593	4
Industry appreciation of service quality	0.527	4
Quality of tourism services	0.485	4
Factor 5: Efficient Public Services		
Efficiency of customs/immigration	0.731	4
Attitude of customs/immigration officials	0.731	4
Airport efficiency/quality	0.534	4
Factor 6: Tourism Shopping		
Value for money of shopping	0.811	3
Diversity of shopping	0.580	3
Factor 7: Government Commitment		
Government leadership in tourism development	0.688	5
Public sector commitment to tourism training	0.632	5
Factor 8: Location and Access		
Direct flights into destination	0.714	4
Distance to destination	0.675	7
Frequency/capacity of access transport to destination	0.426	4
Factor 9: e-business		
Use of information technology by tourism firms	0.845	6
Use of e-commerce by tourism firms	0.798	6
Factor 10: Night Life	0.579	4
Factor 11: Visa Requirements		
As an impediment to visitation	0.675	4
Factor 12: Amusement/Theme Parks	0.461	3
Model element:		
1. Natural Resources		
2. Heritage Resources		
3. Created Resources		
4. Supporting Factors and Resources		
5. Destination Management (public)		
6. Destination Management (private)		
7. Situational Conditions		
8. Demand Conditions		

and Researchers (CAUTHE). The list of email addresses came to around 500 but 20% of the emails that were sent “bounced back” because the person had switched jobs. For Korea respondents were selected from lists of the Korean Tourism Academic Society, the PATA Korean Chapters, and Directory of Korean Travel Association. More than 400 respondents who have e-mail addresses were randomly selected.

The survey analysis is based on 162 responses to the Korean questionnaire and 132 responses to the Australian questionnaire, making for an overall response rate of 37%.

Results

A factor analysis was carried out on the 83 competitiveness indicators, using data from both Korea

and Australia, a total of 294 responses. Factor analysis is a technique designed to discover common underlying dimensions or factors in a set of variables, and hence is used as a summarization and data reduction technique. The objective of the analysis was to explore the groupings between the 83 competitiveness indicators. In the present case, we are postulating that the attributes of a destination, appearing in each of 83 questions on the two Web sites, represent various aspects of competitiveness that can be reflected in the eight elements/categories of the model.

Principal components analysis was applied with a varimax rotation using SPSS version 10.0. Principal axis factoring was also applied and gave fairly similar results. Unfortunately, there is no simple statistical procedure to determine the number of factors that should be extracted from a given set of data. The most common approach is to utilize only factors with a latent root or eigenvalue greater than 1 (Hair, Anderson, Tatham, & Black, 1998, p. 103). This approach produced 12 factors for the competitiveness data, and this is supported by a scree test (Hair et al., 1998, p. 104). These 12 factors explain 66.7% of the variance in the data, which is reasonable for a data set of this kind.

In view of the fact that the last three factors each comprised a single indicator, consideration was given to factor solutions with fewer factors. Indeed, solutions with 8, 9, and 10 factors were examined, but these appeared to produce less clear factors, and there were no theoretical grounds on which to justify these numbers of factors. Hence, the 12-factor solution was retained.

The 12 factors produced by the factor analysis are discussed one by one below. The names attached to the factors are, of course, subjective, but take into account the variables included. The amount of the variance explained by each factor is given in parentheses.

Factor 1: Destination Management (22.1%)

As is common in factor analysis, the first factor comprises a large number of variables (37 in this case) and is fairly general; however, it strongly encompasses the Destination Management variables, both public and private sector related, except for government commitment (see Factor 7 below), plus some supporting factors indicators.

Factor 2: Nature-Based and Other Resources (17.5%)

The second factor comprises 24 variables and includes all the nature-based tourism indicators (eight variables including the six with the largest loadings) and most other endowed and created resources, except heritage and arts indicators (see Factor 3) and Quality Service indicators (see Factor 4).

Factor 3: Heritage Resources (3.6%)

The heritage, arts, and cultural variables from inherited and created resources (just four variables) comprise the third factor. In this case "cultural precinct" is "created," although based upon the destination's heritage resources.

Factor 4: Quality Service (3.4%)

This factor includes the quality of telecommunications systems, the tourism industry's appreciation of the importance of service quality, and the actual level of service quality delivered.

Factor 5: Efficient Public Service (3.3%)

The three (supporting factors) indicators included in the fifth factor are the efficiency and attitude of customs and immigration officials and the efficiency and quality of airports generally. The activities here are each undertaken by government agencies.

Factor 6: Tourism Shopping (2.9%)

The sixth factor comprises the two shopping variables: value for money and diversity of shopping experience.

Factor 7: Government Commitment (2.8%)

The two destination management indicators, government leadership in tourism development and public sector commitment to tourism training, make up the seventh factor.

Factor 8: Location and Access (2.8%)

This factor comprises two supporting factors variables, direct flights into destination and frequency and capacity of access transport to destination, and one situational condition indicator, distance to destination.

Factor 9: E-Business (2.8%)

Use of information technology and e-commerce by tourism firms are the two elements of Factor 9.

Factor 10: Night Life (2.1%)

The single indicator, night life, is this factor.

Factor 11: Visa Requirements (1.8%)

Again, this factor includes just one indicator, visa requirements as an impediment to visitation

Factor 12: Amusement Parks (1.6%)

The last factor also contains a single indicator, amusement or theme parks.

Discussion

We would not expect the factor analysis to produce the exact groupings of the competitiveness indicators as set out in the postulated model. The factor analysis shows us how the 83 indicators of competitiveness are associated and linked together in the minds of the respondents.

The factor analysis indicates that respondents clearly distinguish Destination Management variables from other variables underpinning destination competitiveness. Over the past two decades there has been increasing recognition of the potential role that concepts of strategic management and their application can play in helping firms in the tourism and hospitality industries achieve and maintain competitive advantage (Dwyer & Kemp, 2003; Dwyer, Teal, & Kemp, 1999; Dwyer, Teal, Kemp, & Wah, 2000; Olsen, Tse, & West, 1998). The strength and value of strategic planning is that it can assist tourism operators and managers in understanding the dynamic and complex nature of their environment and in thinking through problems in a strategic manner to arrive at more reasoned decisions. The variables that comprise Factor 1 are those over which public and private sector tourism stakeholders have a good degree of control. This is consistent with the view espoused by the authors that destination competitiveness is a goal that is achievable through informed decision making and strategic choice.

Interestingly, the respondents did not generally distinguish between destination management activi-

ties that are primarily the responsibility of the public sector (such as destination vision reflecting visitor values, quality of tourism research, international awareness of destination and its products, and overall destination image) from those that are primarily the responsibility of the private sector (such as the entrepreneurial quality of host tourism businesses, links with travel trade, business ethics, destination packaging, cooperative behavior by tourism firms, private sector awareness of importance of "sustainable tourism," etc.). Respondents also linked public sector-private sector collaboration in this group (e.g., cooperation between the public and private sector, destination development reflecting industry stakeholder views, tourism growth integrated with overall industry development). However, government commitment and leadership are regarded as distinct from the Destination Management variables and are linked together in another factor grouping (Factor 7), indicating the association between these two variables in the minds of respondents. This probably reflects a common perception that given the various possible negative externalities associated with tourism growth, government should play an active role in facilitating destination tourism development. Also interesting is the fact that respondents distinguish in their own minds between Government *Commitment* to sustainable tourism development (Factor 7) and the *Efficiency* of Public Services to support tourism development (Factor 5).

With respect to a destination's asset base (Factors 2 and 3), it is not surprising, perhaps, that respondents did not display a strong distinction between natural and created resources. Rather, they appear to link together nature-based activities across the two types of resources, as apparently in their minds nature-based activities provide a firmer coherence than do either endowed or created resources, as a group. One reason for this may be that several of the created resources (such as water based, adventure, recreation facilities, and access to natural areas) support nature-based tourism. This supports an argument that endowed natural resources, and created resources that support nature-based activities, are, in the mind of the consumer, simply "resources."

The situation with heritage and arts variables seems to be similar, with respondents linking cultural precincts (a created heritage asset) in the same grouping as endowed heritage resources. This group-

ing, comprising only heritage-related variables, provides stronger coherence in the minds of respondents than either endowed and/or created resources.

The factor analysis indicates that consumers do distinguish between the different types of resources that provide the foundation for destination competitiveness. Nature-based resources appear in a separate factor grouping to heritage resources. This would seem to lend support to those destination marketing strategies that treat nature-based tourism and heritage tourism as potentially different markets, notwithstanding the fact that a good proportion of tourists may have an interest in both.

The factor analysis indicates that the consumer distinguishes between certain different types of created resources and doesn't see these in a "holistic" way. Thus, we find separate factor groupings for Tourist Shopping, Night Life, and Amusement/Theme Parks. They also associate in their minds those factors related to service quality. Such activities may need to be carefully developed in destinations and highlighted separately in destination promotion material.

Not surprisingly, given that almost half of the respondents were Australian, a distinction was made between Location/Access-related variables and others. The tyranny of distance and constraints on direct access have certainly been major factors limiting tourism flows to Australia.

It is interesting also that respondents see e-business use (Factor 9) as a distinctive factor grouping. This may reflect the increasing use of the Internet in the strategic management and marketing of tourism organizations as well as use by customers bypassing traditional travel intermediaries.

The extent to which the model may require revision to better reflect respondents' views about the competitiveness indicators is worthy of further consideration. However, what we can say is that the factor analysis seems to paint a logical and coherent picture of the interrelationships between the competitiveness indicators, which is consistent with the model that has been set out above, and certainly does not seem to contradict that model in any important way. Further, the factor analysis seems to confirm many of the considerations that were identified by practitioners and researchers in our workshops, in particular, that endowed and created resources, supporting factors and resources, aspects of destination

management, and demand conditions are key determinants of strategic decision making. The analysis also helps to confirm the existence of these factors in a formal sense. In addition, because an orthogonal rotation was used in the factor analysis, the dimensions or factors identified can be treated as operating independently of one another. Consequently, individuals may well focus on certain of these factors, while neglecting others, in making decisions about the relative competitiveness of different destinations.

Conclusions and Issues for Further Research

These issues flag an ongoing need for more detailed empirical studies of destination attributes, consumer preferences, and the different components of the travel decision.

Because consumers were not asked their views about the relative importance of the different indicators in measuring destination competitiveness, it would be instructive to examine consumer perceptions of the weights to be given to competitiveness indicators and whether these perceptions should be reflected more directly in the model. The scope of the project did not enable consumers to be directly surveyed as to their views on the ranking of different attributes of competitiveness. Thus, for example, how important are natural resources compared with, say, heritage resources? And within the category of natural resources, how important is, say, climate, compared with pristine environments? How important is service quality compared with price competitiveness? Such questions are unable to be answered in the abstract. Further use of the model would need to incorporate consumer input and perceptions in the context of a specific destination being studied and for specific visitor market segments to that destination.

Ideally, the model can be used to compare the performance of different destinations worldwide with respect to competitiveness. Performance ratings can be developed for destination competitiveness as a whole as well as for particular aspects of competitiveness. Thus, measures can be developed to compare the competitiveness of destinations with respect to all of the main determinants taken together, to compare the competitiveness of destinations with respect to the main dimensions of the model.

The competitiveness framework allows changes in destination competitiveness to be monitored over time. Application of the indicators can provide a “moving picture” of destination competitiveness at different points in time. The model allows for destination competitiveness to be assessed over time with respect to particular types of travelers (by origin, demographic characteristics or motivation), or by comparison to a particular competitor destination or competitor set of destinations as they adjust to changes arising from external and internal environment pressures. In this way trends in destination competitiveness can be linked to various private and public sector initiatives or other variables. A longitudinal perspective would enable destination managers to identify elements in their destination that require specific management attention.

The model developed here can form the basis for further conceptual and empirical research. Perhaps the major thrust of the required research agenda is to explore the role of demand side factors in comparing the competitiveness of different destinations. A substantial amount of empirical research is needed to develop suitable measures of destination competitiveness from the viewpoint of different types of tourists with their different travel motivations. The research establishes the value of understanding a destination’s competitiveness indicators, the gains from which will be more informed policy making regarding the type of tourism development most likely to enhance resident quality of economic and social life.

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