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AGENTS' COMMITMENT AS A CRUCIAL ELEMENT IN THE CONSTRUCTION OF  
A COMMON TOURIST DESTINATION: THE MINHO-LIMA (PORTUGAL) CASE

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## **Abstract**

The success of tourist development depends on the capacity of territory tourism agents to establish and sustain networks, involving not only companies but also the public sector. In fact, creating an attractive destination, able to compete with more consolidated and positioned ones, requires a cooperative behavior among the several agents who are part of it. This behavior will allow competing external and internally, in order to assure better product quality, continuous product renewal, the offer of unique experiences and the use of endogenous resources.

In this paper we refer to the results obtained from a survey applied to restaurants' owners, as well from interviews conducted to the main institutional agents related to tourist promotion and economic development of the identified territory. We believe that the before mentioned methodology can be a valuable instrument to identify the strengths and weaknesses of the selected territory in what refers its future tourism development. The idea it is followed is that the commitment of tourism' agents constitutes a precondition for the success of the strategy to be defined. This is especially critical as what we have until now is the total absence of commitment and coordination of those agents.

*Keywords:* cooperation, networks, tourist development, destination image.

## Introduction

Tourism has been presented by different authors as being an important tool for local development. Its role as an economic activity which generates income and employment and that can be used as a development engine of other economic industries should be highlighted. Consequently, tourism has an important role to play in the design and implementation of economic policies aiming to solve the development deficits of many territories, either urban or rural ones.

To really play that development role, tourism development strategies have to be innovative and put emphasis on products and services diversification. Equally important is investing in the environmental balance, the recovery of the cultural heritage and the strengthening of strategic partnerships for action. The ability to establish and maintain networks are recognised as crucial to the success of tourism development due to its complex nature. By speaking of networks we mean either establishing partnerships between companies either putting together public and private operators committed to the tourism activity.

The basic idea behind this study is that the creation and competitiveness of a tourism destination require a cooperative behaviour among the several agents who are part of it. This is truer when it needs to be able to compete with more consolidated and market positioned ones.

The main objective of this paper is making a close approach to the motivations and behaviours of the actors involved in the development and promotion of a new tourism territory, the Minho-Lima (Portugal). In order to capture the perspective of these agents and to be able to analyse the extent they are committed to tourism development, we have conducted personal interviews to a panel of institutional actors (Municipalities, Alto Minho's Tourist Board, Commercial and Industrial Associations, Associations representatives of the sector - Hotels, Restaurants and Tourism in Rural Areas-TRA, Minho Valley Intermunicipal Community and Lima Valley Urban Community) and a survey to a certain kind of tour operators (restaurants owners).

In section 1 of the paper, through a brief literature review, we give attention to the role of cooperation between actors as a precondition to the success of tourism development. In section 2 the methodology adopted is presented. In section 3 the empirical results obtained are shown and commented. Finally, the main conclusions are drawn up.

## 1. The importance of cooperation between actors

One of the economic development strategic factors is the existence of networks of businesses actors and institutions. This is valid for the economic development of a country or a region but also in what regards the tourism industry. This as to do with the way these networks facilitate the sharing of resources and of knowledge and the convergence of efforts, stimulating economic dynamism and development. (Vázquez Barquero, 1999 and 2005).

Indeed, regarding to tourism, coordination not only between companies, themselves, but between companies and the public and private institutions is essential. Therefore, when a territory seeks to define a strategy for tourism development, one of the focuses should be the construction or the energizing of the organizational capacity of its economic and social agents and institutions. When supported by formal or informal networks, institutions and organisations used to become more flexible and receptive to changes (Vázquez Barquero, 1999).

However, in not consolidated tourism destinations, it is common finding small and familiar businesses, little or not coordinated at all and poorly competitive (Rodríguez Carro, 2006). Then, since these relationships and links do not create or grow independently and undifferentiated, as they are a social and historical product, gradually generated (Bercial and Timón, 2005; Vázquez Barquero, 2005), it is important to promote the cooperation.

The creation of a collaboration network requires a cooperative behaviour from companies that normally compete between them and from agents and organizations that are bound not only by economic relations but also by geographic, social and cultural reasons. So, usually, this networking of actors requires that “one or more specific institutions play a leading role in institutional relations” (Gilly and Pecqueur, 1998, p.505).

As already underlined, many companies, especially small-and medium-sized ones, which had a course of action based on isolation, now have the need and a concern to be bound by any other companies in network (Cândido *et al.*, 2000). By speaking of network we mean “the system of relations and/or contracts that bind companies/players between them, whose content may refer to material goods, information and technology”

(Vázquez Barquero, 1999, p.98). In other words, as Saviotti (2000, p.19) suggests, “networks are formed by the range of actors and relations that connect them”.

Networks can take very different forms, resulting in multiple terminologies, which Cadima Ribeiro and Freitas Santos (2003, pp. 9-14) summarized on: social network; intra-business network; inter-business network; and institutional network.

The **social network** concerns the relations that are established during the development of economic activities in a particular sector, as a result of friendship and mutual trust which exists between employers and other individuals. Through informal communication, this type of network allows to exchange information and views on business opportunities and market trends, as well as on the economic and social reality of the territory where they operate.

When relations are established between the various functional partners of a company (such as customers and suppliers or strategic partners), to reduce costs, to share resources and information on business or, even, to form strategic alliances against other companies, they are called **intra-business networks**.

The type of cooperation that can be drawn between a company and private entities (such as chambers of commerce, banks, consultants, etc.) through information provided, financial support or other business process give rise to the so-called **inter-business networks**.

Finally, the **institutional network** concerns the relationships that companies can establish with governmental agencies (local, regional and national).

It should also be noted that, apart from social network, usually resulting from informal relations, the other networks (intra-business, institutional and inter- business) include a number of relationships that can be either formal or informal.

As pointed out by Planque (1991) and Monsted (1995), **formal networks** are well explicit, have clear, defined and programmed objectives, relative to concrete persons or organizations. By contrast, **informal networks** result from casual and episodic relationships, without specific and permanent targets.

These networks facilitate the collection and selection of informational resources, technologies and markets. Consequently, allow the reduction of costs, the improvement of economic performance and greater efficiency in investment decisions. They also provide the necessary flexibility to companies to respond to changes resulting from increased competition and globalization (Vázquez Barquero, 1999 and 2005).

In this context, the ability to organize economic and social agents has become a strategic factor in the development of a tourist destination, especially if it is a not consolidated one. Indeed, it is essential for the success of a destination the existence of cooperation between the various actors, companies and business associations, regional development associations, education institutions, and central, regional and local public administration, etc.. This cooperation should be based on trust, sharing of knowledge, information and experience, looking for consensus on priorities and objectives, which is hard to achieve.

Still thinking in the success of the development strategy, based on tourism, it is worthy to note that, apart from creating a system of relations and commitments between business and local public and private institutions, it is important to be able to create receptivity in the local population for the new reality that welcoming and accommodate tourists is. This way, establishing a balanced and competitive new tourism destination implies to be able to communicate and transmit the necessary values and social rules to all sectors and groups of the local population. As a matter of fact, a destination only will be innovative if it is perceived as such by all the society, being or not part of the industry (Bercial and Timón, 2005).

## 2. Research methodology

In the next paragraphs we will make the presentation of the key techniques used to collect and treat the empirical information required to achieve the goal originally settled for this study.

The main instruments used to collect the information were the survey, applied to the restaurant owners, and in depth interviews, conducted in the case of the institutional agents of the Minho-Lima sub-region.

Details regarding the methodological issues and the results attained will be presented and discussed in the next sessions.

### ***2.1 The interviews with institutional agents***

The technique used to approach the institutional agents, taken as privileged sources of information, was the semi-structured interview. It was thought that this approach would

be rewarding because it would allow, both, collecting different live experiences and a large degree of communication flexibility that would allow adapting the approach to the specificities of the interlocutors, taking into account the different nature of these institutions contacted. Previously, we cared to establish a certain number of categories that would give some consistency and uniformity to the various interviews to be implemented. Those organizing categories were:

A - Region and tourism;

B - Resources and tourism entities;

C - Human resources involved;

D - Integration with other local productive sectors;

E - Creation of partnerships and cooperation;

F - Territorial cooperation (neighbour territories and Galicia);

G - Promotion.

One of the criteria for the selection of interviewees was to ensure the representation of the main actors, directly and indirectly linked to tourism development in the Minho-Lima sub-region. To this end, a provisional list of the institutions of the target territory was drawn up. This list was used to establish the preliminary contacts.

The sample originally outlined pointed to twenty-two institutional agents and public authorities dispersed geographically by the ten municipalities that comprise the territory under analysis. This way, we envisage to respect the rules regarding samples to be used in qualitative studies, which give more importance to the depth of the interview than to the size of the sample (Helfer and Orsini, 1996). From this sample, we succeed to carry out twenty interviews. Despite continued efforts, it was not feasible to interview any representative of the Caminha City Council nor the Monção and Melgaço Commercial and Industrial Association.

It is worthy mentioning that the interviews made to the Valença City Council and to the Minho Valley Union Business (UEVM) were held simultaneously, at the request of the interviewee, as the person in charge was playing functions in both entities.

Table 1 – List of interviews

<b>Identification of the agent for local / regional development</b>	<b>Function performed</b>
RTAM - Alto Minho's Tourist Board	President of RTAM
ACIVAC - Ancora e Coura Valleys Commercial and Industrial Association	President of the Directorate
Ponte da Barca City Council	President of CC
V. N. Cerveira City Council	President of CC
Valença City Council / UEVM	Tourism Councillor / President of the Directorate
Paredes de Coura City Council	Head of office of the President of CC
ACIAB - Arcos de Valdevez e Ponte da Barca Commercial and Industrial Association	President of the Directorate
UNIHSNOR – Union of Associations of Hotels and Restaurants of the North of Portugal – Viana do Castelo – Alto Minho	President of the Directorate
Melgaço City Council	President of CC
Ponte de Lima City Council	President of CC
PRIVETUR	Member of the Directorate
Minho Valley Intermunicipalities Community	Manager/Member of the Directorate
AEPL - Ponte de Lima Business Association	President of the Directorate
AEVC - Viana do Castelo Business Association	President of the Directorate
Viana do Castelo City Council	Tourism Councillor
Monção City Council	President of CC
Arcos de Valdevez City Council	President of CC / Tourism Councillor
TURIHAB – Rural Tourism Association	President of TURIHAB
Valimar – Lima Valley Urban Community	Manager

Source: Authors' Elaboration

The first contact with the interviewees was made by post mail and then confirmed by e-mail or phone. The interviews were conducted in November and December 2005 and January 2006, in the buildings of the institutions contacted, according to the availability of the interviewees.



During the interviews it was used a script composed of topics (Attachments 1 and 2). The construction of the script was the result of a previous literature review and of an analysis of documents related to tourism planning and tourism potential published by the European Commission's General Directorate for Agriculture.

Despite the script to be used always as a guide, it was given "green light" to the interviewees to talk about the issue without constraints of time or subject, so that they could feel free to express their ideas, perceptions and feelings in a spontaneous way.

In the end of the programmed interview, the interviewee was asked if he or she would like to add anything else, after which it was considered finished.

The analysis of the information collected will be done in session 3.

## **2.2 The restaurant owners survey**

Gastronomy constitutes one of the pillars of the tourism product supply of the Minho-Lima (RTAM, 2004b). Therefore, it was considered important to listen the actors of this industry/branch of activity.

In fact, in many cases, visitors' motivation to visit some rural areas is gastronomy. This is particularly the excursionists' case. As a matter of fact, in the Minho-Lima sub-region all ten municipalities participate in an annual event sponsored by RTAM in partnership with the municipalities called *Gastronomic Sundays*, and some of the municipalities used to develop, even, other similar festivals in certain periods of the year (RTAM, 2001).

In the *Gastronomic Sundays* case, it has the participation of the thirteen municipalities belonging to the RTAM (ten of which from Minho-Lima), and the event takes place, each year, from February to May. This event involves more than three hundred restaurants, and allows promoting the traditional cuisine recipes, together with the regional wines. As a complement and an additional attraction, an entertainment cultural programme is offered. Each municipality is in charge of define and implement this entertainment programme (RTAM, 2004a). This initiative seeks to promote the region and to boost the sector during the low season.

Having in mind such assumptions and recognizing the importance of these agents in the dynamics of the sector and the need of its commitment to succeed in the aim of a new tourism strategy to be defined, it was decided to inquire the Minho-Lima restaurant

owners, applying a especially designed survey. The objective to reach was to understand the kind of relationships they use to establish with other tourism agents and local industries and population (competitors, public administration, RTAM, customers, local inhabitants).

The starting point was the draw of a survey (Attachment 3), which was used to guide a semi-direct interview. This questionnaire was used since the first contact established with the restaurant owners.

The items of the survey were organized into seven major blocks:

- Restaurants and their owners' general data;
- Employees' data;
- Role of local products;
- Type of customers;
- Promotion of the region and of the restaurant itself;
- Relationships with other restaurants and/or accommodation establishments;
- Tourists' motivations.

Data was collected between November and December 2005. From the total of 105 restaurants contacted, 88 accepted to answer to the survey.

Table 2 - Restaurants contacted

<b>Municipality</b>	<b>Surveys sent</b>	<b>Surveys collected</b>
Arcos de Valdevez	9	9
Caminha	12	9
Melgaço	7	7
Monção	8	7
Paredes de Coura	6	6
Ponte da Barca	4	4
Ponte de Lima	10	10
Valença	15	11
Viana do Castelo	29	19
V.N de Cerveira	5	6
<b>Minho-Lima</b>	<b>105</b>	<b>88</b>

Source: Authors' Elaboration

The initial contact was made by letter, in which it was explained the purpose of the research and the survey instrument was sent, so that the restaurant owners had a first contact with the kind of information that was demanded. Later, a telephone was made to

confirm the availability of the restaurant owner to answer the survey and the interview was schedule, according to the respondent convenience.

As the survey was sent by post in the first contact, in some cases, when the interview occurred, the questionnaires were already filled in and there was no willingness of the restaurant owners to complement or clarify some of the information given. However, in the majority of the cases, the restaurant owners have been cooperated with the researcher, clarifying the doubts resulting of their answers.

The analysis of the results obtained will be made in the following section of the paper.

### 3. Interviews and survey results

As previously mentioned and having in mind the objective for the research, interviews were conducted to a panel of institutional agents and a survey was applied to a certain kind of tour operators (restaurants). Next, we will present the main results we got from the empirical approach and will produce a few derived comments.

#### ***3.1 Institutional agents***

To analyze the institutional agents' involvement in the development of tourism in the Minho-Lima sub-region, interviews were conducted with a set of local actors: local authorities, region of tourism board, commercial and industrial associations, rural tourism associations, restaurants and hotels association. Indeed, the tourism involves multiple players and interactions between them are important to the success of the business.

In this section of the paper a qualitative analysis of the data obtained on the interviews is produced. The analysis does not intend to capture the point of view of all the all interviewees. The inferences and interpretations kept seek to answer to the goals initially set and contribute to a better understanding of certain agents behaviour and motivation in defined economic, social and political contexts.

The results of the analysis carried out are presented according the categories specified in the methodology section.

### ***A - Region and Tourism***

As underlined, we thought important to know the opinion of the interviewed local agents about the role of tourism in the development of this territory.

Many of them told us that the tourism had a role “very important” or “important” in this territory development, although presenting, mainly, a local vision, pointing it as a bet of the municipality or area which they were representing.

The focus on tourism can be substantiated by the actions that they had developed in this direction (investments in water supply, in residual waters and garbage treatment, in traffic regulation, in conservation and restoration of monuments and cultural heritage, namely, the recovery of historical centres, the preservation of natural areas, and in different sort of incentives to the supply of entertainment activities, etc.)..

Despite this, they drew our attention to some problems that turn those efforts less effective. The lack of intermunicipal cooperation, the under-utilization of resources and the relative absence of quality investments were mentioned.

Those who expressed reluctance about the role of tourism in local development, not attributing to it a real economic relevance, were mainly from municipalities with a tourist image less consistent.

### ***B - Resources and tourism entities***

When the development of tourism is an objective of a territory, they must carefully evaluate which resources, infrastructure and services account for the activity, since these factors will influence the type of activities and the development, itself (OMT, 1998). In this sense, it was important to know if there was a particular concern in each municipality regarding the information and relevant data available referring to resources and entities linked to tourism. This had to do with the need to ensure their efficient management, as well as their availability to a set of agents, when requested.

More than two thirds of the respondents said they did not possessed any inventory, neither of resources nor of entities linked to tourism. In the case of commercial and industrial associations, they have only lists of their members.

Apart from RTAM, which is supposed to have this information, as tourism promoting public agency, there are some municipalities that possess their own leaflets and brochures, claimed to supply the required information.

### ***C - Human resources involved***

Considering that the availability of qualified human resources in this area is very important in planning tourism development, it was thought to inquire the interviewee's opinion about the issue. According, we have questioned the institutions representatives about the existence in their organizations of tourism technicians or people working in this concrete area.

We could verify that more than half of the contacted organizations have no technical expertise in the field of tourism. This may denote "amateurism" in dealing with issues related to the sector. Just half of the local authorities contacted claimed to have people working in tourism promotion or planning. From those, we find the ones that have shown more commitment with tourism development at municipal level.

### ***D - Integration with other local productive sectors***

One of the dimensions to explore in a tourism strategy to develop at the local level is the desirable linkage with the territory and the integration envisaged with other local production activities. In this sense, it was asked to the interviewees whether or not this integration was having place in the Minho-Lima sub-region.

Respondents argue that tourism had dragged other local productive sectors (or, at least, had made it in some market niches), mainly due to the valorisation it allowed of some quality endogenous products (conducting to the certification of some of them), and, this way, providing an opportunity to revive and reinvigorate agricultural production and handicraft activities that, otherwise, would tend to disappear. Respondents who have shown more "pessimistic" declared that they considered still scarce the valorisation and commercial use of the local products. On the other hand, the activities integration envisaged is proving to be difficult due to the lack of an entity that promotes it. Other way, the main beneficiaries of the tourism activity will remain the hotels and restaurants and, in some cases, the retail sector.

### ***E - Creation of partnerships and cooperation***

One of those aspects identified by the literature as a prerequisite for tourism activity success is the consensus and cooperation between that is viable to establish among the different involved economic and political agents. Consequently, it was asked to the interviewees if, in the territory in analysis, there was or not willingness to cooperate and to work in a partnership basis.

Although the majority of respondents said that they already had participated or were participating in kind of partnerships, end by admitting, that there was still much work to do in this field. In formal terms, despite the existence in practice of these partnerships, the work continues to be done following a very individual way. According with the interviews, the municipalities of the Lima Valley cooperate with the municipalities of the Lima Valley and the municipalities of the Minho Valley, the same way, cooperate with the ones of its own Valley and the Galicia neighbour ones. Apparently, it is more common to observe partnerships between this municipalities and the other side of the border than between them and the Portuguese neighbouring municipalities of the South. At firm level the situation is even more complex. The mentality of entrepreneurs seems not to be enough open to cooperation with their counterparts or, even, with the public actors. In the absence of an entity that takes a mandatory role of coordinating the promotion and the general planning and animation of the territory tourism activity, each operator tends to remain “in its own space”.

#### ***F - Territorial cooperation (bordering territories and Galicia)***

Being a border territory, with strong links to the northern border of the Minho River, it mattered to know the view kept by respondents about the players of the other side of the border.

A very significant number of the respondents support the existence or establishment of cross-border partnerships. However, most of those interviewed recognized that much still needs to be done at this level. A tourism promotion strategy based on the image of a destination putting together two countries captured some attention amongst our interviewees.

The point of view more focused in the business/firm level admits that there are difficulties in terms of turning effective this concepts as, if cooperation is hard to establish even between those that are closer, these difficulties increase with distance and with less knowledge about their potential partners.

#### ***G - Promotion***

From the analysis of the interviews, it resulted clear the perceived limitations of the tourism promotion undertaken. The lack of coordination of the strategies regarding the organization of the interface with the market and promotion, itself, was commonly underlined by our respondents. This has to do with the confusion of responsibilities that

exists between the different authorities and institutions in terms of their role in what regards tourism planning and promotion. Either the municipalities, either the municipalities associations (Minho and Lima Valleys) or the tourism region board made reference to this issue. As a result of the before mentioned situation, individual initiatives are the most present feature of conducting Minho-Lima tourism, “draining” functional and financially the RTAM (which gets its major financial and political support from the same municipalities). As a consequence, on an autonomous basis, RTAM is unable to do much more than to produce a few of its own brochures and participating in a few tourism fairs. Of course, this raises the problem of scale of the intervention and of the efficiency of the action.

For some interviewed, the solution implied the fusion of the two tourism agencies (Alto and Verde Minho) that existed by that time, with the creation of a larger promoting and planning tourism region dealing with tourism phenomenon in the Minho, as a all. This tourism agency would be supported by municipal structures but would centralize the organization and promotion of territory. In other cases, when a clear fracture with the regional tourism structure – RTAM was assumed, the solution proposed would pass by assigning a more active role to the municipalities associations. In such a situation, the role conferred to regional tourism boards turned not clear, at all.

Additionally, it is interesting to note the scarce union spirit that prevailed, even between the municipalities and other organisms with responsibilities in tourism management. An exacerbated municipal localism (Pereiro Pérez and Conde, 2005) seemed to obstruct the coordination of a well-planned tourism and was turning hard its improvement.

#### ***H - Factors of success and difficulties***

To conclude the reference to the interviews results, we would like to comment the factors of tourism success mentioned by the interviewed agents. The same procedure was followed regarding constrains or difficulties felt. We have asked them to establish a rank of using a list we have provided (Attachment 2). They were asked to order them from the most to the least important.

**Table 3 – Factors of success and difficulties in developing tourism in the Minho-Lima**

Factors of success	1 <sup>st</sup>		2 <sup>nd</sup>		3 <sup>rd</sup>		Total	
	N <sup>o</sup>	%	N <sup>o</sup>	%	N <sup>o</sup>	%	N <sup>o</sup>	%
Recovery and promotion of historic centres	5	26	7	37	5	26	17	30
Bet on an urban and environmental discipline	1	5	-	-	2	11	3	5
Gastronomy	4	21	6	32	3	16	13	23
Experience at TRA	2	11	1	5	-	-	3	5
Cultural and environmental corridors (including those linking to Galicia)	-	-	-	-	2	11	2	4
Improvements in accessibilities	7	37	3	16	6	32	16	28
Partnerships between municipalities of Minho and Lima Valleys and Galician's ones	-	-	2	11	1	5	3	5
<b>Total</b>	<b>19</b>	<b>100</b>	<b>19</b>	<b>100</b>	<b>19</b>	<b>100</b>	<b>57</b>	<b>100</b>
Difficulties	1 <sup>st</sup>		2 <sup>nd</sup>		3 <sup>rd</sup>		Total	
	N <sup>o</sup>	%	N <sup>o</sup>	%	N <sup>o</sup>	%	N <sup>o</sup>	%
Lack of entrepreneurial culture	3	16	2	11	4	21	9	16
Lack of cooperation culture, at institutional and firm level	3	16	10	53	2	11	15	26
Lack of quality of accommodation	1	5	2	11	2	11	5	9
Lack of complementary activities to lodging (in particular, tourist animation companies)	-	-	1	5	2	11	3	5
Fails in the promotion strategy	10	53	4	21	3	16	17	30
Confusion / vagueness at the level of responsibility of each institutional actor	2	11	-	-	4	21	6	11
Deficit of vocational training	-	-	-	-	2	11	2	4
<b>Total</b>	<b>19</b>	<b>100</b>	<b>19</b>	<b>100</b>	<b>19</b>	<b>100</b>	<b>57</b>	<b>100</b>

Source: Authors' Elaboration

The answers analysis allows identifying the three most important factors of success according to the actors contacted. Presenting them by descending order those factors are: recovery and promotion of historic centres; improvements in accessibility; and gastronomy. Also by descending order of importance, the main difficulties pointed out are: the failing in the promotion; the lack of cooperation at institutional and firms' level; and the lack of entrepreneurial culture.



In terms of factors of success kept, these answers reflect the idea that endogenous resources should take a much larger role in the design of the Minho-Lima tourism strategy, in order to better serve the tourists.

Still following the view of the interviewees, in what concerns the difficulties, those are, mostly: the failing in tourism promotion; and the lack of cooperation, either between tourism institutional agents and authorities, or between private tour operators.

Together, those factors were blocking the tourism development of this tourism destination.

### **3.2 TOUR OPERATORS: THE RESTAURANTS**

Given the importance that the gastronomy takes on the image of Minho-Lima, it was considered important to listen to the actors of this industry, using a survey that was applied to 105 restaurants of the target territory. 88 valid answers were obtained.

In this sub-session of the paper we will analyse the data collected through these survey applied to the restaurant owners. The analysis was divided according the thematic blocks defined in the methodology.

In the first subset of the questionnaire, the following parameters should be identified: gender, age and birthplace of the restaurant owner(s), type of ownership, operational period, membership of a hotel/restaurant group and public support to the installation of the establishment.

Starting with the general data of the restaurants and their owners, it is important to emphasize that 60.2% of the contacted restaurant owners were individual entrepreneurs. Of the 35 restaurants that worked on society, 85.7% were family societies (formed mostly by couples; there was some cases of societies joining parents and children). The owners were mostly males (73%), with 61.4% of the restaurants contacted managed only by men, against 10.2% managed by women.

Of the total number of owners inquired, 12.8% were under 35 years old, 37.6% were between 36 and 50 years old and 49.6% surpass the 50 years old. As for the birthplace, 70.1% of the restaurants were owned by people of the municipality where the restaurant was placed. If we consider the companies in which at least one of the partners was of the municipality, this percentage increased to around 75. In 11.5% of the restaurants the

owners were from a neighbouring municipality (belonging to the Minho-Lima sub-region) and 10.3% of the establishments were managed by individuals from outside the sub-region.

Regarding the period of operation, it was possible to see that about 47.1% of the restaurants contacted had started its activity less than 10 years ago (although, in 43.9% of the cases they had only changed the management structure), while 31% were in operation since 20 years ago or more.

According to the respondents, the increase experienced by the sector in the last years, in terms of new establishments, seems to be due not just to the increase felt in terms of visitors and to the expectations generated regarding the role that tourism could play in the region but, also, to the increase of the demand associated to local consumption (as we see underline ahead, when addressing the type of customer issue).

Regarding public aids for establishments' installation or renewal, 79.5% of the contacted restaurants affirmed not to have benefited from any kind of public assistance (although some, in reduced number, have submitted applications). This could help to justify the small percentage of restaurants that carried out an establishment renewal (26.1%) over the last 5 years.

In another subset of issues, some labour aspects were analysed: number of employees, gender, age, birthplace and type of contract signed. Direct employment in the contacted restaurants can be classified in two types: one is family employment (44.7%); and the other is non-family employment (of which 9.1% were workers without an effective labour link). It should be noted that only a few restaurants admitted they used to hire seasonal workers, not identifying the precise amount or workers, however.

The employees were mostly (78.6%) inhabitants of the municipality where the restaurant was installed, accounting for 88.5% of the workers involved if the entire Minho-Lima sub-region was considered. These were low qualification workers, with the exception of a few higher quality restaurants.

Despite the direct impact of the restaurants employment could look quite small in terms of the total employment rates of the sub-region, we should remember that these restaurants act as facilitators and catalysts for other economic sectors, turning its economic impact much larger. We can see that if we analyze the role of restaurants as elements of production chain, that is, able to encourage and disseminate the use of local products. In its large majority (89.8%), the contacted restaurants made current use of

local products, boosting, this way, the local economy. However restaurant owners claimed that, occasionally, they face difficulties in getting some typical products. These difficulties had to do with an insufficient structure supply, putting some stress in the relationship between goods producers and restaurants.

When associated to a hotel service, the restaurants act as an important complement of the functioning of the company, namely combating the seasonality of the demand. Indeed, restaurants do not suffer demand fluctuations of in same magnitude of the hotel suffered by accommodation facilities. This relates close to the offer of their services to the local inhabitants and neighbouring areas ones. In fact, given the restaurants capacity, about 66% possessed over 60 seats, of which 24.1% had over 100 seats (ranging from 110 to 500). The capacity allows extending the services offer to weddings banquets, religious parties and other social ceremonies, business meetings, etc., diversifying the supply having in mind to conquest different target niches.

When asked about the type of customers they use to have, 52.3% of the restaurants answered that theirs customers used to be diverse, prevailing local residents during the week and people in transit and tourists or excursionists during the weekend. The residents were the habitual customers of 19.8% of the contacted restaurants. 18.6% told that national tourists were the majority of its customers.

The foreign tourists still represented a small percentage of the total clientele of the contacted restaurants, but about 8.1% of the restaurants said that their customers were, above all, Spanish people.

Regarding the tourism promotion issue, despite the majority of the contacted restaurants (61.4%) to declare that they used to participate in the initiatives taken by local authorities, more than 45% of them rated as poor or very poor the municipalities work at this level. The main complaints were related to the scarcity of events, the failure felt in terms of promoting the local gastronomy and the difficulties associated to coordinating tourism events with the ones of neighbouring municipalities.

The criticism to failures in promotion extended to the tourism agency board (RTAM), whom they accused of doing little for the restaurants. Restaurant owners believed that the work of this agency in the resolution of the problems related to the low season demand was not really effective. Indeed, despite more than 80% of the contacted restaurants to use participating in the event *Gastronomic Sunday*, the majority faced this event as an isolated episode, with little general impact beyond the period that follows its

organisation. The interviewees declared to ignore other measures or plans that either municipalities or the RTAM had in mind to implement or were implementing.

In individual terms, the promotion was something on which the contacted restaurants showed little interest. As self-promotion instruments, some restaurants only had placards on the establishment entry and personalised cards. Usually, they don't have their own web pages and, in some cases, they were even unaware that they were mentioned on the web pages of RTAM and of the city councils that had available an Internet page.

The promotion in local newspapers and radios were the ways they used the most in order to promote their services. Few restaurants declared to have participation in specialized web pages and to have been associated to promoting initiatives dedicated to a particular product (usually, the wine), taking profit of the visibility of such events.

During the interviews, despite some exceptions, it was notorious that little cooperation and little union was experienced with the other restaurants and tourism entities. In theory, they could profit from joint work promotion with these other tourism agents. The emerging idea was that they preferred to act independently and according to its own criteria. Thus, even though 81.8% of the restaurants were part of the restaurants and hotels association that represent the interests of the sector, they have no experience of concerted activities, with the exception of *Gastronomic Sunday*. The number of those who declared they had no relationships with other entrepreneurs of the region reached 87.5%, and 9.1% referred that just had an informal relationship.

Likewise, despite the proximity to Galicia, 72.7% of the interviewees stated that they did not know or knew little about the tourism supply available across the border. There was no relationship with Galician's entrepreneurs (95.5% answered to have not any kind of relationship with Galician's entrepreneurs).

When questioned about the reasons that lead the tourists to visit the municipalities in which they were installed, 20% of respondents placed the natural heritage first, followed by the built heritage (13.8%), representing the gastronomy and the popular the main reason for 9,2% and for 6,2% of respondents, respectively. However, the majority of respondents (44.6%) intended that it was the value of the tourism attributes of the territory, as a all, that motivate the tourists visit.

## Conclusions

The research developed and presented in the previous sections of this paper envisaged to clarify the roles that are taking the various actors in the development and consolidation of the Minho-Lima tourism industry. The major inspiring idea behind the approach was the one that competitive development and sustainable tourism is associated with the commitment and attitude put by the different actors (public and private) in the success of the activity.

In what concerns the involvement of the different actors in the development of the sub-region tourism offer, it seems that the various institutional players (municipal councils and intermunicipalities association, restaurants and hotels association, entrepreneurial associations and regional tourism agency) show a strong sensitivity to the economic opportunity that the tourism sector represents. Although, there is not a concerted position about the strategy to follow and there is little coordination between the different institutional agents and even between the tour operators in terms of planning and action regarding the positioning of the territory as a new tourism destination. This has major consequences in the efficacy of the territory tourism promotion, besides the additional financial costs it implies.

This lack of coordination and of a common concept about what the Minho-Lima tourism should be and how it should be institutionally managed expresses itself in the existence of several brands, dispersal of resources allocated to promotion and scarce exploitation of synergies. One shock example is the low use of the information technologies as a mean of promotion and marketing and the dispersion of the sites where the different parts and resources of the territory are promoted.

From the empirical work done, we could even conclude that the Minho-Lima tourism destination, as real territory, does not exist in the conscience of their players. The idea of this sub-region as a common destination, which could benefit by being a border region, as shown not to be present in the mind of a significant part of the actors, including the local authorities.

A major sign of this lack of a clear strategic idea about what the tourism should be and how it should be organized is the result of the incapacity demonstrated by various entities to coordinate their actions and to converge in a board that could given some consistency to the operation of the several tourism agents. This happens in spite of the

wealthy of tourism resources the territory is endowed with and of the local uniqueness of some of its attributes.

With respect to the tour operators, namely, the restaurants, we could conclude that there are no horizontal connections between firms, being perceptible an adverse culture to cooperation and to partnership. The fact that these establishments are, mostly, of family ownership, with little training in business management, helps to explain this behaviour.

In contrast, there is fragmentation and scarce public and private promotion and animation initiatives, poor and not always cordial relationships between the industry and the public entities. The relationship between the tourism sector and other activities, including the traditional ones, is inconsistent, even if the local products are considered to be an important asset for the success of the regional gastronomy and retail sector.

Also from the survey applied to restaurants, it emerges quite clear the existence of dissatisfaction regarding the tourism promotion implemented. Meanwhile, it is quite scarce their own advertising efforts and their availability to intensify cooperation with the public authorities or between the private tourism operators, themselves.

Putting together the empirical literature review we made and the results we got from the empirical approach, we end more convinced than before that networking, and partnership, through the sharing of market information, the sharing of know-how and the increase of financial resources, could allow to project this territory as a promising tourism destination and to allow tourism activity to be a strong regional development instrument.

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## Attachment 1 - Script of interviews to institutional agents

### I - Introduction

- a) Thanks
- b) Presentation of the study and objectives

### II - Data collection

- a) Role of tourism to the region (level of interest; expectations)
- b) Organizational structure in this area
- c) Abilities of the entity and activities in this field
- d) Inventory of resources and entities directly or indirectly related to tourism
- e) Integration with other local productive sectors
- f) Willingness to partnerships, cooperation with other entities
- g) Territorial cooperation (bordering territories and Galicia)
- h) Promotion and marketing
- i) Factors of success and difficulties in developing tourism in the region.

### III - Conclusions

- a) Additional comments (something that the interviewee would like to see addressed)
- b) Opinions on the tourist index

### IV - Identification of the interviewee and function performed

### V - Thanks

## Attachment 2 - List of some success factors and difficulties in developing tourism in the Minho-Lima

Order from 1 (most important) to 7 (least), the following factors of success and difficulties in developing tourism in the region:

### **Factors of success:**

- Recovery and promotion of historic centres
- Bet on an urban and environmental discipline
- Gastronomy
- Experience at TRA
- Cultural and environmental corridors (including those linking to Galicia)
- Improvements in accessibilities
- Partnerships between municipalities of Minho and Lima Valleys and Galician's ones

### **Difficulties:**

- Lack of entrepreneurial culture
- Lack of cooperation culture, at institutional and firm level
- Lack of quality of accommodation
- Lack of complementary activities to lodging (in particular, tourist animation companies)
- Failures in the promotion strategy
- Confusion / vagueness at the level of responsibility of each institutional actor
- Deficit of vocational training

Entity:

**Thank you!**

## Attachment 3 - Survey to restaurants

### Survey to restaurants

**Minho Lima**

#### 1. Owners' general data

ID:.....

Age:.....

Birthplace:.....

#### 2. Type of property

Group / individual firm?.....

How long has been in activity?.....

It is part of a group of restaurants / hotels?.....

Financial support to install the establishment?.....

From what entity? Local / Central / EU.....

#### 3. Type of management

Who is responsible for accounts: The actual management, a manager, office hired?.....

.....

Restaurant capacity?.....

The business was expanded / renovated in the last 5 years?.....

It has regional cuisine menu?.....

Type of customers?.....

#### 4. Labour issues

Nº of employees?.....

Gender and age?.....

Family members?.....

Birthplace?.....

Type of contract signed? .....

5. Community Relations

Usually use local products in its establishment?.....

Where usually makes purchases for its establishment?.....

.....

It is part of any association or group of similar companies?.....

Participate in the promotion of the municipality?.....

Opinion about the municipality in terms of tourism promotion?.....

.....

Have available means of promotion / information for tourists?.....

Know the Galician tourism? .....

Have relationships with Galician's entrepreneurs?.....

Have relationship with entrepreneurs of the region?.....

Motivations of tourists?.....

.....

**Thank you!**