Tourism Observatories supporting regional tourism destinations' management and competitiveness: a model for the region of Aveiro

FILIPA BRANDÃO * [filipa.brandao@ua.pt]
CARLOS COSTA ** [ccosta@ua.pt]

Abstract | Regional and local tourism destinations' management is achieving higher levels of importance. The change in destinations management and planning paradigms has been confirming the essential role of local tourism destinations in terms of policy and strategy implementation, as a central point of tourism impacts analysis and in visitors' attraction. Increasing competitiveness among worldwide destinations demands creative and suitable strategies, in order that competitive advantages are assured. The main tourism competitive factors have been assessed and it was concluded that the existence of information collection and production regarding the industry and destinations sets as an important competitive advantage, as it allows the conception of more rigorous and informed management strategies. Therefore, local and regional Destination Management Organisations must monitor the industry in a systemic and systematic way, so that destinations can remain in a favourable position in global markets. Tourism Observatories play a central role in achieving these goals. This paper seeks to discuss how Regional Tourism Observatories can be structured, what should be its strategy and objectives and its intervention at a technical level. This way, its operations can come in line with the needs of information of tourism stakeholders and the Observatory can be positioned as an instrument supporting destinations and firms' management process, enhancing their competitiveness.

Keywords | Tourism Observatories, Competitiveness, Destination Management, Tourism Statistics, Aveiro.

Resumo | A gestão dos destinos turísticos de base regional e local tem vindo a receber atenção acrescida. A alteração dos paradigmas de gestão e planeamento dos destinos tem vindo a confirmar o papel central do nível local no âmbito da implementação de políticas e estratégias, de avaliação dos impactes do turismo e de atracção de visitantes. A crescente competitividade entre os destinos turísticos a nível global requer estratégias creativas e adequadas, de forma a garantir a existência de vantagens competitivas. Neste estudo, foram avaliados os principais factores de competitividade dos

* **Mestre em Gestão e Desenvolvimento em Turismo** pela Universidade de Aveiro e **Doutoranda em Turismo** no Departamento de Economia, Gestão e Engenharia Industrial, Universidade de Aveiro.
** **Doutorado em Turismo** pela Universidade de Surrey (Reino Unido) e **Professor Associado com Agregação** no Departamento de Economia, Gestão e Engenharia Industrial, Universidade de Aveiro.

destinos e concluiu-se que a existência de processos de recolha e produção de informação sobre as empresas e os destinos se estabelecem como um importante vantagem competitiva ao permitirem a concepção de estratégias de gestão mais rigorosas e informadas. As Organizações de Gestão dos Destinos devem, assim, monitorizar a indústria de uma forma sistémica e sistemática, para que estes se mantenham em posições favoráveis no mercado global. Neste contexto, os Observatórios do Turismo desempenham um papel fundamental. Este estudo pretende avaliar de que forma um Observatório Regional do Turismo se pode estruturar, qual deve ser a sua estratégia e definir as suas áreas técnicas de intervenção. Pretende-se que, ao satisfazer as necessidades de informação dos stakeholders do turismo, o Observatório se posicione como um instrumento de apoio ao processo de gestão do destino e das empresas que nele se localizam, promovendo o aumento da sua competitividade.

1. Introduction

The purpose of this paper is to discuss the importance of tourism statistical information and related studies to the management and planning of local and regional tourism destinations. It is known that the creation of tourism policies and strategies strongly depends on the availability of rigorous and precise quantitative and qualitative information. However, very often, as stated by Wöber (2003), this information is not aligned with the needs of its users, which can, eventually, bias the analysis of tourism industry development and performance. Many tourism indicators are produced at national and regional (NUT II) levels. However, local tourism destinations should be defined and managed following a 'product-space' rationale (Costa, 2001), which very often does not follow traditional administrative boundaries. Therefore, tourism stakeholders' information needs often are not satisfied.

Furthermore, increased competitiveness demands for new management and planning paradigms set on networks, partnerships and self-learning organisations and destinations. These new management structures, often relying on DMOs, need to have a thorough and systemic knowledge of industry's performance.

According to Heath (2003), Dwyer and Kim (2003) and Ritchie and Crouch (2003), the availability and effective use of information can increase destination competitiveness. Therefore, this sets as an important competitive factor for tourism destinations and firms.

In this context, this research aims to identify how a Regional Tourism Observatory should be structured, in order to respond to the industry information needs and to provide a solid basis to the creation and implementation of management strategies and planning and for performance monitoring.

2. Tourism destinations management

Tourism competitiveness is gaining increased attention among academics and organisations. The existence of destination management procedures able to face the new challenges is among the factors capable of inducing competitive advantages in the global market. The WTO recognises the important role played by Tourism Destination Management in achieving competitive positions. Markets' globalisation and the emergence of new tourism destinations are prompting increased

competitiveness and, consequently, the need to increase competitive advantages of traditional destinations. A way to face these new challenges is through the implementation of effective management approaches to destination areas (WTO, 2005). It is therefore essential to identify regional tourism industry actors and stakeholders network and the awareness that they represent a system (destination systemic approach). The interactions developed among them play a critical role in tourism management, organisation and competitiveness at international level (Manente and Minghetti, 2006).

The recognition of new challenges affecting tourism has led to the emergence of new trends in terms of business models and destination planning, through the creation of mechanisms supporting sustainable management and crucial competitive advantages. These trends should follow models of participatory management, collaboration among different stakeholders and the creation of interconnected structures that embrace common goals. These structures, materialised in Destination Management Organizations (DMO's), are emerging worldwide. They come in line with the importance granted to regionally based tourism destinations, that remain the focus of tourism activity impact assessment and policies implementation (WTO, 2005). Bordas (1994) argues that competitiveness in tourism occurs between local/regional clusters and not between countries. Such a point of view underlines the idea that tourism is mainly a regional phenomenon and, then, competitiveness should be boosted and strengthened at local level (cluster) prior to the creation of comprehensive policies nationwide.

DMO's are portrayed as modern organizational structures, adapted to tourism's new challenges. They lead to the implementation of management styles relying on networks, establishing the creation of partnerships among public and private sector and non-profit organizations. They show increased potential for a more efficient and effective management, as the basis of their organizational philosophy arise from concepts and practices geared towards intelligent management of organisations whose actors are associated in a flexible way. This way, they easily adjust to new challenges, seeking different and 'unique' solutions to the problems and contributing to sustained growth and progressive learning (self-learning organizations) (Brandão and Costa, 2008).

In order that these management structures are able to respond to the challenges and increasing levels of competitiveness in the industry, there must be a thorough knowledge of the tourism system that allows the assessment of the performance and progress of tourism destinations and firms. This way, managers are able to develop informed decisions and responses and pro-actively adapt to emerging situations. In this context, one can highlight the role of the Tourism Observatories that, through the production and dissemination, not only of statistical information, but of management information, can function as important tools to support planning and management of tourist destinations (Brandão, 2007; Brandão and Costa, 2008).

Wober (2003) argues that the management of the tourism industry, compared with other economic sectors, faces a set of complex objectives and problems that require particular action plans. In order to meet them, managers need to have factual knowledge of the tourism industry. However, the existing information often ignores the needs of managers and destinations, or it is not accessible. It is essential the existence of information supporting decision-making processes through available data and assessment programs that transform it into relevant management information. The information provided will only be efficient and effective when considering the needs of its users.

Accordingly, it is vital to assess the role that information plays in destination management and competitiveness improvement and to specify the types of information to be collected, produced and disseminated.

3. Information as a critical determinant of management and competitiveness

Tourism competitiveness can be gained through the creation, development and implementation of different mechanisms, policies and strategies. Competitive advantages and determinants vary according to specific characteristics of destinations (e.g. supply, organization, competition) and markets (current and potential). The diversity of approaches and perspectives on this issue has prompted authors to advance conceptual models of tourism competitiveness. Bearing this in mind, it is important to understand how the existence of information collection and production procedures can operate as an input for destination management and determine destinations' competitiveness.

In Dwyer and Kim's model (2003), Destination Management is viewed amongst the cornerstones of the factors influencing destinations' competitiveness. This function is shared by both public and private sectors and comprises the activities of the DMO's, (e.g. marketing management, planning and development, human resource development and environmental management). The authors pay special importance to the production of statistical information as a core competence of the DMO's, which should provide an input to policy formulation, planning and development. Destinations that collect and use information effectively may increase their competitive position:
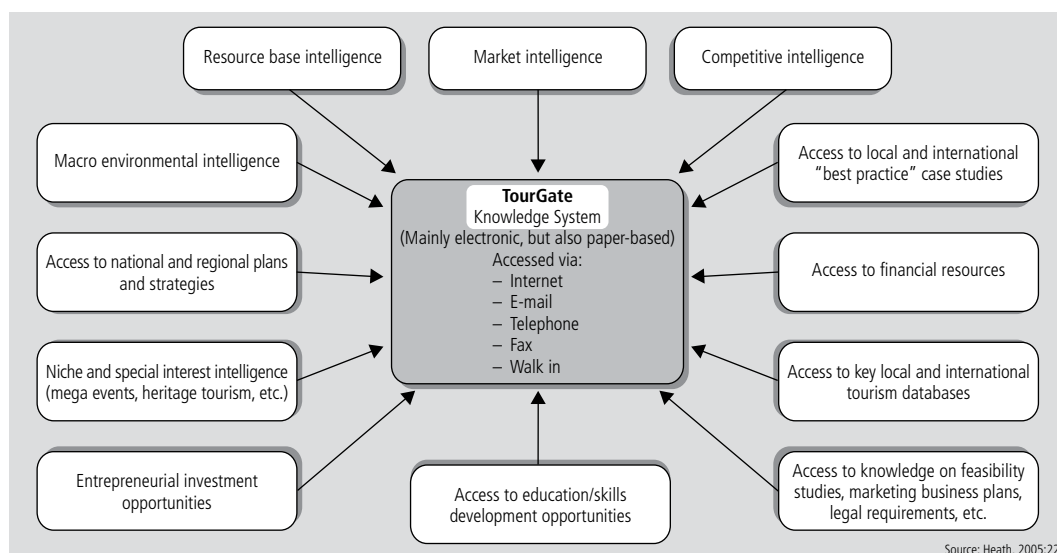
"*An effective use of information systems can provide managers with the information required for understanding customer needs, and for appropriate new product development and marketing by tourism organisations in both the private and public sectors*" (Dwyer and Kim, 2003:388).

According to the authors, this information should focus on two sets of categories: information internal to the destination, which helps to better manage the performance of tourism products; and

research findings that prompt the destination's adaptation to market changes (e.g.: visitors, tourists' behavioural patterns, performance measurement, tourist satisfaction, impacts of tourism development, tourism's contribution to the economy, indicators of economic prosperity, tourism investment, rates of price competitiveness, government funding for tourism). They also highlight the importance of monitoring and evaluation of the efficiency and effectiveness of previously implemented policies and strategies.

Heath (2003) and Jonker *et al.* (2004) found some limitations that prevent destinations from optimizing their real potential. Lack of knowledge, absence of accessible and reliable information on markets and on macro and micro economic environments and lack of mechanisms for monitoring and evaluation that support management and decision making processes are among them. Bearing this in mind, Heath conceptualized a sustainable competitive model integrating various key factors, including the need for a system of information management and research as a basis for decision making. For the author, such a system will enhance the interconnection between the factors of competitiveness and tourism destinations strategic framework providing important inputs to a sustainable development policy and a comprehensive tourism management strategy (Heath, 2003). Subsequently, he developed a system for managing knowledge and information based on stakeholders identified needs and that sets the structure defined in Figure 1.

Ritchie and Crouch (2003) also stressed Destination Management as a determinant of competitiveness. DMOs should consider the necessary actions to implement the policy and strategies for planning and development, improve the attractiveness, quality and effectiveness of resources and find the best ways to adapt to the constraints and opportunities arising from the micro and macro environments. These activities should be translated into programs, structures, systems and processes easily implementable and managed by individuals, organizations and through

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Resource base intelligence        Market intelligence        Competitive intelligence

Macro environmental intelligence                                    Access to local and international
                                                                    "best practice" case studies

                                        TourGate
Access to national and regional plans   Knowledge System           Access to financial resources
and strategies                     (Mainly electronic, but also paper-based)
                                        Accessed via:
                                        – Internet
Niche and special interest intelligence – E-mail                   Access to key local and international
(mega events, heritage tourism, etc.)   – Telephone                tourism databases
                                        – Fax
                                        – Walk in
Entrepreneurial investment                                         Access to knowledge on feasibility
opportunities              Access to education/skills              studies, marketing business plans,
                           development opportunities               legal requirements, etc.
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Source: Heath, 2005:22.

Figure 1 | Broad structure of tourgate knowledge management system.

collective actions. Information and research should be under the responsibility of DMOs and should aim at an effective use of systems that provide management information in order to develop the best possible strategies. Such information systems should engage in the monitoring of visitor satisfaction and the overall performance of the tourism industry, and should be complemented with studies and projects that produce specialized information for the context of specific decision making. Finally, DMOs ought to assume responsibility for disseminating information about markets and tourism industry performance. There are two different streams in terms of information and research that must be generated and managed: Inward Flows and Outward Flows. The first relates to information provided to the DMOs, so that they can be more competitive, and fit into two distinct categories: monitoring (supported on information collected on an ongoing basis) and research (involving information collected periodically depending on the arising needs). The outflows are based on information to be provided to tourism stakeholders (Ritchie and Crouch, 2003).

Increased competitiveness makes necessary to improve the levels of knowledge and monitoring

of the tourism system. In order to do that, there should be information supporting decision-making and providing guidelines that promote proactive responses to environmental changes. In this context, the interaction between entrepreneurs and academics, research centres, observatories and think tanks allows the emergence of essential information to the creation of appropriate management tools and to knowledge transfer to their primary users, bringing clear competitive advantages to public and private tourist organisations (Buhalis and Costa, 2006a, b).

Especially in countries where tourism has a significant importance and has a strong regional concentration, Tourism Observatories have been emerging and setting as important management and planning instruments (Massieu, 2006).

4. Methodology

In order to understand how Regional Tourism Observatories ought to be structured in order to increase competitiveness and support destination

management, the following research objectives were outlined:

(i) Characterise the actual utilisation of tourism statistics, in terms of periodicity, territorial disaggregation of information and indicators analysed;

(ii) Recognise the perceptions of the effectiveness of tourism statistics to destination management;

(iii) Identify information needs;

(iv) Outline a suitable structure for a Regional Tourism Observatory.

The research methodology included both qualitative and quantitative methods. Whereas regionally-based Tourism Observatories are virtually non-existent in Portugal and the related scientific literature is reduced, one chose to develop Case Studies, framed in descriptive and exploratory method. To this end, three Tourism Observatories were selected: Côte d'Azur Tourism Observatory; Rimini Tourism Observatory; and the extinct Portuguese National Tourism Observatory. They all provide reference bodies in technical, methodological and operational context of the phenomenon. Regarding the research objectives the variables of analysis presented in Figure 2 were defined.

After an extensive survey of the Case Studies, one developed a comparative matrix, which helped to define and validate the structure of the questionnaire.

The structure of the questionnaire included a total of thirteen questions, divided into three parts, and corresponding to the objectives of the research. The first part is intended to obtain general information on respondents and their organisations. The second part focus on the assessment of information needs, comprehending questions to characterize the current use of tourism statistics, the perception of the effectiveness of tourism statistics for destination management and competitiveness improvement and to determine which statistical indicators are most needed. The third part focus on the structuring of the Regional Tourism Observatory, outlined through the same variables defined for Case Studies: formal, policy and technical aspects.

The inquired population included all the 30 members of the "Rota da Luz" Regional Tourism Council, plus 9 members of the tourism staff located at several municipalities associated to the tourism board. To increase the level of confidence of the results and considering the small size of the universe (39 elements), instead of collecting a sample the full population was considered. Nevertheless, 5 members were not available, which dropped the response rate to 87.2%. Data was analysed by the use of SPSS, and descriptive and inductive analyses were computed.
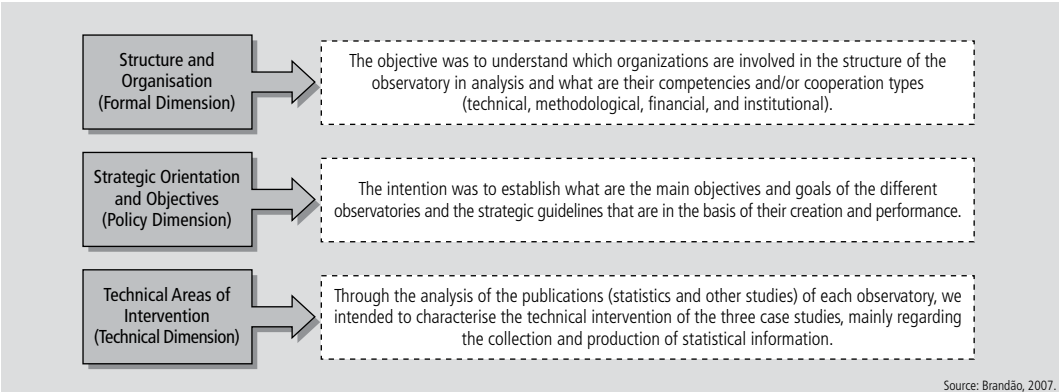

Source: Brandão, 2007.

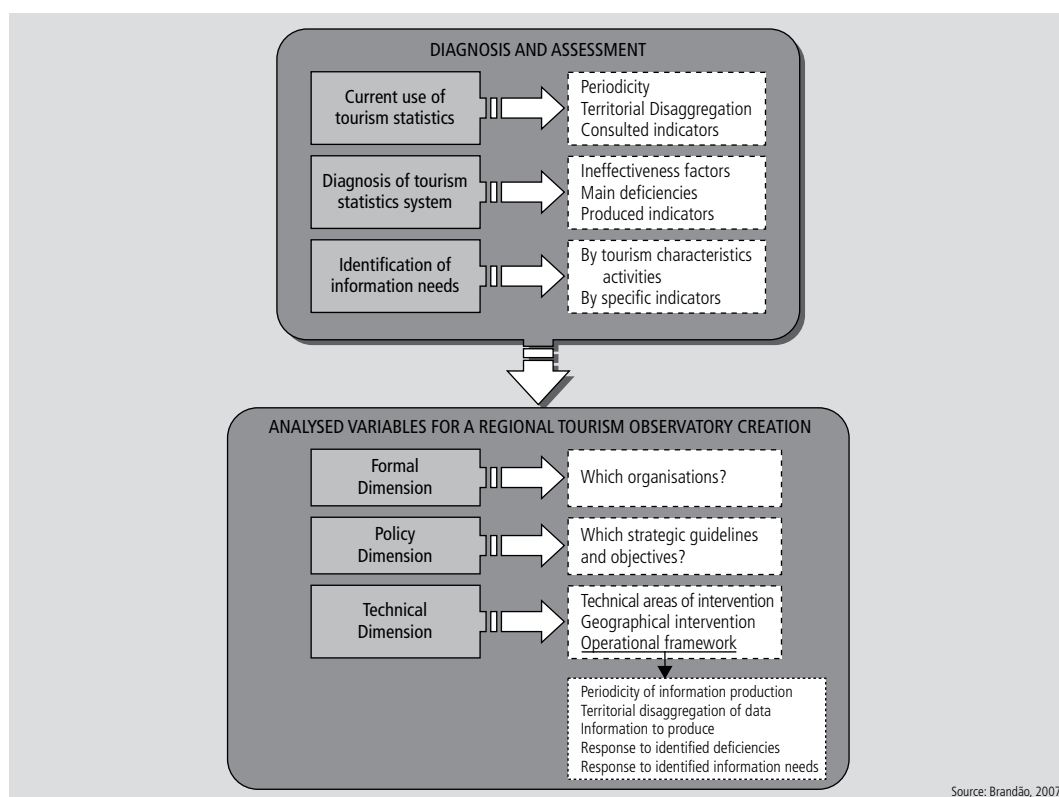**Figure 2** | Case studies' variables of analysis.

Figure 3 | Adopted framework for a regional tourism observatory model creation.

5. Results

5.1 The current use of tourism statistics

In order to understand the type of information needed by the Aveiro's tourism stakeholders an interview-questionnaire was conducted. The survey unveils that 35% of the interviewees search for tourism information on a regular basis, that is, weekly or monthly. Most tourism staff working for the local authorities (50%) and the representatives of private sector organisations (60%) consult tourism statistics monthly, while municipal councillors do it every six months (38.5%). Conversely, most representatives of public sector organisations (40%) look for information only once a year.

The survey also demonstrates that the search for tourism information varies according to the educa-

tional background of the respondents. While 60% of those of have tourism degree look for information at least once a month, those who do not hold a tourism degree use it only every 3 or 6 months.

Regarding the territorial disaggregation of the accessed data, 82.4% of respondents say that they consult statistics for the Tourism Region, while 64.7% opted for a break at municipality level. Response rates for the other options (International, NUT I, NUT II and NUT III) are far less frequent. Special attention must be given to the fact that most respondents do not use tourism statistics concerning the international level. All these results unveil that regional tourism actors focus their attention on regional and local tourism data, while not paying too much efforts to collecting information regarding the tourism situation both at the national and international levels. This seems to show that tourism

operators are too much concentrated on their operations, and thus not being too much concerned with the national and international dynamics that affect their operation at the local level.

The consultation of indicators on tourism characteristic activities, as defined by WTO *et al.* (2001) was also subject of analysis. Accommodation received the most significant response rate (88.2% of respondents), which may be explained from the fact that often the tourism industry is seen only as accommodation, leaving the remaining related activities back grounded or even neglected. With regard to cultural and recreation or leisure services, the percentage of individuals who use the related statistics stands at 64.7% for the former and 61.8% for the latter. We highlight the councillors group, with response rates of around 90%, as well as individuals with higher education (73%) and larger organizations. The remaining items (restaurants and similar, passenger transport, travel agencies, tour operators and tourism guides and rent-a-cars) showed considerably less expressive responses.

These results highlight the existence of an orientation of tourism management directed to accommodation, culture and leisure, the latter with smaller expression than the first. The region of Aveiro has at present low permanence times and occupancy rates. There is a need to develop tourism products based on the 'economy of experiences' (Costa, 2005) that should include all tourism related activities in a comprehensive way, in order to attract more visitors and extend their stay. Experiences, cultural and leisure activities are increasingly gaining accrued importance for the competitiveness of destinations and, as such, should be subject of integrated strategies regarding all the elements of tourism economy. Restaurants, intermediaries and transports are still not seen as central elements for the industry. However, they can not be sidelined from an integrated analysis that should provide a solid basis for the delineation of destination's strategies and policies.

The following analysis related to the statistical indicators usually consulted by the respondents. It was found a predominant use of information on tourism supply over demand, possibly as a consequence of the concentration of statistical operations in tourism supply (about 73.3%), especially in accommodation facilities (50%) (INE, 2002). For each of the 34 presented indicators, response rates rarely exceeded 50%. We can highlight the query of information broken down by municipality under the provision of cultural (56%) and recreational (50%) services. Data on the demand for these services is not commonly mentioned, which may derive from the lack of methodologies for collecting the number of users of these services.

Statistical information on accommodation deserves to be fore grounded, especially when aggregated at regional level and regarding indicators on guests, overnight stays, accommodation capacity and occupancy rates, ranging between 50% and 60% of responses. With lower values, but still significant, we found the information on market share, seasonality and permanence times.

5.2. Perceptions about the effectiveness of tourism statistics

Most respondents (82.4%) considered that the process of collection and dissemination of tourism statistics is not effective when addressing and promoting the competitiveness and management of the destination. In the group of councillors, all agreed on this issue as well as a significant part of private agents (80%), tourism staff (70%) and public organisations representatives (60%).

When asked to freely indicate the main sources of ineffectiveness, most respondents reported: (i) the insufficiency of information, which should be more specific, detailed and qualitative; (ii) statistics should provide more systematic and continuous analysis, avoiding broken time series; (iii) availability and access to information, often unavailable and fragmented by various entities. The issue of tourism statistics fragmentation and duplication was one

of the problems identified by the National Tourism Observatory (Costa *et al.*, 2002).

In terms of the items set by the researcher, resulting from literature review and from conclusions drawn from case studies, the most significant response rates were observed in the following:

– Statistics are outdated (70.6%);
– Do not provide information supporting new product development (70.6%);
– Do not allow a prospective vision of tourism industry (67.6%);
– Fail to inform about new markets (55.9%);
– Data is unreliable;
– Information is inadequate to regional reality;
– Lack of knowledge of information sources.

With regard to the different groups of respondents, it appears that councillors grant particular importance to information supporting the development of new products and new markets and the frequency with which these data are available, while tourism staff highlight that information is outdated, the need to allow a vision of the future and also that data ought to be more reliable. A clear difference between these two groups can be observed, since councillors point out deficiencies that prevent them from making strategic and planning decisions, such as the design of new products that suit potential markets. Private organisations complain mostly about the access to frequently updated information.

5.3. Identification of information needs

One of the guidelines for the creation and operation of a Regional Tourism Observatory is the adequacy of the produced information to the needs of local players. In this way it will act as a tool to support management and decision making processes. About 97% of respondents considered important or very important the creation of a Regional Tourism Observatory for the Aveiro region.

When asked about the importance of the production of tourism statistics in each characteristic activity (scale from 1 to 5), accommodation averaged higher (4.79) and was simultaneously the most valued by all groups, followed by cultural services (4.44), which follows alongside with the habits of use of tourism statistics. Intermediaries and transport, previously mentioned as activities which are not usually consulted, are classified here as much needed and obtained an average respectively of 4.24 and 3.97.

It is therefore clear, that the use of tourism statistics do not reflect the main needs in this context. This way, we held a comparative analysis between the most consulted and the most needed statistics for destination and businesses management.

Qualitative indicators are seen as the most important for destination management. Among them the most cited indicators concerned with the motivation of tourists, satisfaction, profile, the image tourists have of destination and information on specific tour-

Table 1 | Relationship between the most needed tourism statistics and their usual consultation

Statistical Indicator	Respondents that consider the indicator as necessary (%)	Respondents that consider the indicator as necessary, but usually <u>do not consult</u> it (%)	
		Tourism Region	Municipality
Tourist's motivations	97,1%	93,9%	93,9%
Information on specific tourist products	97,1%	93,9%	87,9%
Guests	94,1%	46,9%	46,9%
Overnights	94,1%	40,6%	59,4%
Seasonality	94,1%	71,9%	65,6%
Tourist's satisfaction	94,1%	96,9%	93,8%
Tourist's profile	94,1%	96,9%	90,6%
Information on tourism economic importance	94,1%	93,8%	93,8%
Occupancy rate	91,2%	51,6%	48,4%
Destination image	91,2%	90,3%	90,3%
Tourists' nationality/market share	88,2%	56,7%	66,7%

Source: Brandão, 2007.

ist products. The high response rate on these items validated the referred ineffectiveness factor related to the lack of qualitative studies and characterisation of tourism industry, and is also one of the weaknesses identified by INE's report on evaluation of the Portuguese Tourism Statistics (INE, 2003). Information on tourism economic importance is also highlighted by the respondents.

Variables that are traditionally collected by INE, such as guests, overnight stays, occupancy rates, seasonality, as well as those related to cultural, recreational and leisure facilities, are regarded as very much important for the tourism sector and are regularly used. With lower response rates one may find variables related with F&B, transportation, travel agencies and tour operations.

5.4. A model for the regional tourism observatory

5.4.1. Structure and organisation – formal dimension

An extensive literature review and the analysis of case studies led us to twenty organisations that may be included in a Regional Tourism Observatory. Universities/higher education institutions are amongst the most consensual organisations that should be included in a regional tourism observatory (100% of the respondents agreed on that). The Regional Tourism Board obtained a similar result (100%) and Regional Tourism Businesses Associations amounted to 97.1% (opposed to nationwide associations, whose response rates are significantly lower). Municipalities are also amongst the most cited organisations that should be included in a tourism observatory.

In other words, tourism actors are in favour of (regional level) organisations that provide knowledge and vision for the development of the tourism sector at the regional and local levels. Conversely, they understand that national level tourism organisations should not be included in regional observatories because their role at the local level is much more political

and thus undermine the functioning and the operation of observatories. In addition, it is seen that the role of national level organisations should be concentrated on the funding and coordination of tourism activities.

In spite of the criticism pointed out to the operation of the National Institute of Statistics (INE), this is seen as a relevant partner for 88.2% of respondents. Such situation is explained by the importance given to INE in providing statistical information for the operation of regional tourism observatories. Very surprisingly the Bank of Portugal obtained very low scores. This may be explained by the fact that information on the economic impact of tourism is still produced at national level, with very weak regional level disaggregation.

5.4.2. Strategy and objectives – policy dimension

When asked about what objectives should be followed by a regional tourism observatory, respondents answered the following:

– Tourism statistics should be provided regularly;
– Tourism time series should be provided in order to more accurately foresee tourism trends;
– Observatories should play a role on updating information;
– Information provided to users ought to be pertinent, reliable and lead to the creation of management indicators;
– Observatories should act as facilitators to access information provided by other statistical sources;
– Follow the needs of local stakeholders. Moreover, these needs should be anticipated. National Tourism Observatory's methodology aimed to produce statistical indicators useful to public and private organisations allowing an effective management of tourism system by informing about supply (static element), demand (dynamic element) and consequences of tourism activity (consequent element) (ONT, 2002).
– Encourage the decision making process to be supported on tourism statistics. This objective is clearly expressed by the three analysed

case studies. Côte d'Azur Tourism Observatory explicitly criticises statistics that do not work as a tool to support decision making (Observatoire du Tourisme de Côte d'Azur, 2004).

5.4.3. Areas to be covered by regional tourism observatories

As for the priority intervention areas, respondents highlighted first the "creation of indicators and barometers that measure tourism development", con-firming the need of regional tourism stakeholders for the establishment of mechanisms and processes that monitor tourism industry and which effectively support destination management. The methodology of National Tourism Barometer (Observatório Nacional do Turismo, 2002) sets as an appropriate response.

The second priority is concerned with the "production and diffusion of tourism statistics" followed by "the preparation of studies", confirming the referred need for a more specific and tailored to local reality qualitative analysis. Although respondents
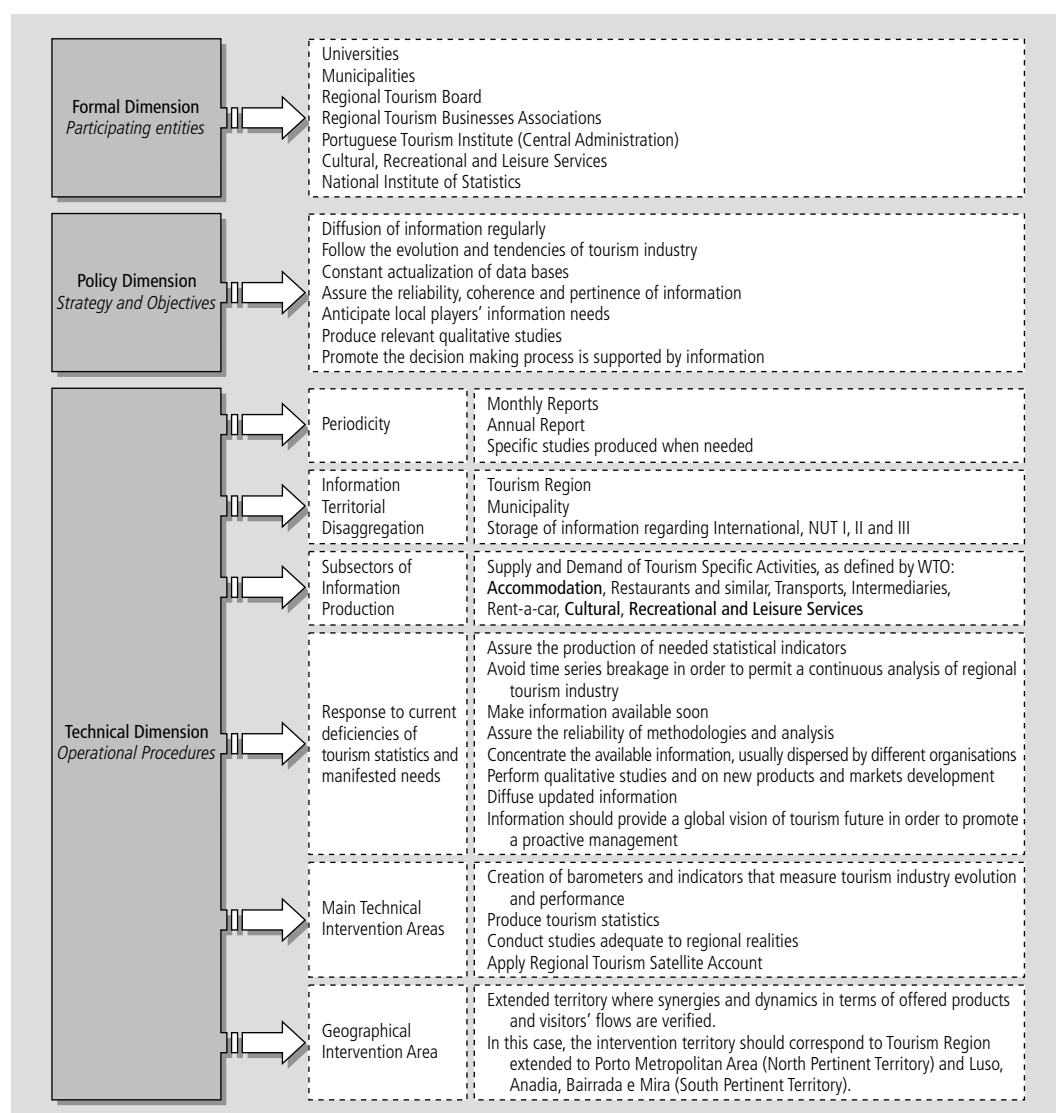

Figure 4 │ Model for a regional tourism observatory.

gave lower weight to the "implementation of Regional Tourism Satellite Account", the item registers a mode of 2. This sets as an important methodology capable of providing valuable information on tourism economic significance.

Among the surveyed groups, it was found that the councillors, tourism staff and private organisations grant greater importance to the production and dissemination of statistics, while public sector organisations prefer the establishment of management indicators and barometers, as individuals with postgraduate education and in other areas than tourism.

Under this analysis was also intended to understand what should be the geographical area of intervention. Most respondents believe that a Tourism Observatory for the region of Aveiro should operate at the regional level, and should also include the area of influence of the Aveiro region (Porto Metropolitan Area, located up to the north, and Bairrada, Anadia, Mira and Luso, down to the south). This leads us to the importance of management, strategic coordination and monitoring of tourism in a wider region of influence, where synergies and integrated dynamic in terms of tourist products and visitor flows are verified. Councillors and private agents have shown greater inclination for this setting, while tourism staff and governmental agencies have opted mostly for smaller territorial units (Tourism Region and NUT III). According to Buhalis (2000), tourist destinations are perceptual concepts subjectively interpreted by tourists, which goes beyond administrative boundaries. As such, Costa (2001) argues that the territory must be understood in terms of 'product-space', promoting the design and management of valid and properly structured tourist products, instead of the usual 'space-product' configuration. Wöber (2003) states that it is common that statistical series are based on administrative regions, which do not always coincide with the actual use of the territory. As claimed by one of the respondents, "*the observatory must be thematic, more than merely geographic*".

6. Conclusion

The conducted research led us to conclude that quantitative and qualitative information on tourism industry's development performs a crucial role for destination management and competitiveness. Most tourism stakeholders search for statistics and studies at local level on a regular basis. However, many do not know where to search for or which data are available. In this context, Tourism Observatories may set as privileged structures, especially when operating at a local or regional level, where information is often unavailable or does not represent territorial realities.

Another significant conclusion highlights the fact that tourism statistics are mostly understood as 'accommodation' and 'cultural, recreation or leisure activities'. The proposed model for a Tourism Observatory sets his operating philosophy on the systemic and holistic view of tourism industry and, therefore, should monitor all tourism-related activities. The recognised ineffectiveness of tourism statistical system derives from the fact that, as reported, it does not consider local/regional tourism stakeholders needs, the provided information is considered to be insufficient, data are usually outdated and consequently, information does not allow the taking of strategic decisions, especially when related to product and market development, business models creation and prospective measures. Therefore, there is the need for more qualitative information (such as motivations, profiles, satisfaction and destination image), seasonality, rigorous accommodation data (guests, overnight stays, occupancy rates, seasonality), tourism economic significance, regional products performance and prospective an on cultural and leisure activities, as the importance of 'experience economy' is being increasingly recognised by academics and organisations.

The Regional Tourism Observatory should, according to stakeholders, be connected to universities and research units, local and/or regional DMOs, Municipalities and especially privilege

regional bodies over national ones, as they are closer and more aware of industry's performance and development. The creation of a barometer to assess the evolution of tourism industry, the creation and wide dissemination of statistics and relevant studies are considered to be the main priorities. In what concerns to territorial intervention area, stakeholder's responses closely relate to literature review, as they believe that an extended area where similar products are offered should be considered.

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