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# Spatial-economic impacts of tourism on regional development: challenges for Europe

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*João Romão <sup>1</sup>, Peter Nijkamp <sup>2</sup>*

<sup>1</sup> University of Algarve and CEFAGE, Portugal

<sup>2</sup> Tinbergen Institute, the Netherlands



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# **Spatial-economic impacts of tourism on regional development: challenges for Europe**

João Romão, University of Algarve, Portugal

Peter Nijkamp, Tinbergen Institute, the Netherlands

## **Abstract**

Despite the increasing socio-economic importance of tourism, in particular in the European context, a set of recent studies involving a large number of European regions has led to the identification of important problems related to the sustainable use of natural resources, innovation dynamics and specialization patterns, impacts of tourism on regional economic growth, and the relations between tourism performance and regional sustainable development in Europe. Taking these questions as a starting point, the purpose of this review article is to propose a conceptual framework for their analysis, including concepts like authenticity, place, smart tourism, co-creation of destinations and experiences, information segmentation, differentiation of supply, life cycle of tourism destinations, path dependence, customer variety, specialization or integrative diversification of tourism products. Finally, this analytical framework is used in order to identify and discuss a set of challenges for the future of tourism in European regions, with a view to policy and managerial implications, oriented to the integration of tourism policies within a broader context of socio-economic development, with implications on the definition and implementation of innovation and regional development policies, including smart specialization strategies. These challenges relate to the touristic experience (memorable, personalized and authentic), innovation (in the context of a diverse economy) and participatory governance (communities sharing spaces and places).

## **JEL Classification:**

Q56 Environment and Development; Sustainability  
R11 Regional Economic Activity: Growth, Development, Environmental Issues, and Changes  
Z32 Tourism and Development

## **Keywords:**

Territorial capital, innovation, related variety, sustainability, regional development

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## 1. Introduction

Over the past six decades, a continued expansion can be observed in the tourism sector, becoming one of the largest and fastest-growing economic sectors in the world, according to the data provided by UNWTO (2016): almost 1.200 million international arrivals of tourists were observed in 2015, while this number was only 25 million in 1950. Although the American continent and the Asia-Pacific regions have registered higher growth rates in the last few years, Europe is still the continent accommodating the highest number of international travellers in the world. Two European countries (France and Spain) rank among the 4 largest destinations, from the point of view of both the number of visitors and the revenues generated by tourism.

Nevertheless, the importance of Europe in the context of global tourism is higher when we consider the number of international travellers (51% of the international arrivals worldwide) rather than the revenues obtained (36%). With much less travellers, the Asia-Pacific region (24% of the global volume of international arrivals) achieves a similar revenue compared to Europe (33%), while the American continent registers 24% of the global tourism revenues (receiving only 16% of the international travellers).

The purpose of this paper is to address emerging problems related to contemporary tourism dynamics in Europe, identified through a set of studies comprising a large number (237, at least) of European regions. These problems are presented in the second Section of this work and they relate to the sustainable use of natural resources, innovation dynamics and specialization patterns, impacts of tourism on regional economic growth and, finally, the relations between tourism performance and regional sustainable development.

In the third Section of this paper, we propose a set of relevant concepts that were theoretically developed over the last four decades, aiming to frame and to discuss the problems previously raised. These concepts include the ideas of authenticity, the environmental paradox, the importance of place, smart tourism, co-creation of destinations and experiences, the crucial role of information for the segmentation of markets and differentiation of supply, the life cycle of tourism destinations, path dependence processes and the importance of history, variety, specialization or integrative diversification of tourism products.

Considering the problems identified and the conceptual framework proposed, we define and discuss a set of challenges for the future of tourism in European regions, with a view to policy and managerial implications. As the purpose of this work is to frame these challenges in a broad context of regional development processes, the territorial unit considered here is that of the NUTS 2 regions (according to the Eurostat classification), which are the appropriate geographical and institutional levels for the definition and implementation of innovation and regional development policies, including smart specialization strategies (Foray et al., 2012; Boschma, 2016) under implementation in Europe. With a similar purpose, a broad definition of tourism is also envisaged, also including retail or communication services, as defined by Eurostat.

## 2. Problematizing contemporary tourism in European regions

This Section will map out the most critical issues in tourism in Europe from a general perspective.

### 2.1. *Nature and tourism*

The relationship between tourism and nature is from a spatial perspective complex. By using spatial econometric techniques (panel data models with spatial effects and local indicators of spatial autocorrelation), two studies including 237 European NUTS 2 regions and focused on the relation between

natural resources, tourism demand and gross value added by tourism activities lead to the identification of problems related to the sustainable use of those resources, at least in South-European regions. These are regions where tourism demand is generally relatively high in the European context, while large parts of their territories are included on the Natura 2000 network (a European standard applied with the same criteria in all regions, which has been used as a proxy for their biodiversity and the value of the existing natural assets).

In a first study (Romão, 2015), local spatial autocorrelation indicators revealed a positive spatial correlation between tourism demand, bed places available and natural resources in the Western Mediterranean area, with the identification of clusters of regions with high tourism demand and a high level of protected natural resources in some regions of Portugal, Spain, France, Italy or Austria, while low values for both cases were identified mostly in Northern-European regions. In the regression (spatial panel data) model computed, it was confirmed that the abundance of natural resources was positively correlated with high levels of tourism demand. Nevertheless, a second study (Romão et al., 2017) revealed different results when the dependent variable of the model was replaced - instead of tourism demand (measured by the number of nights spent in accommodation establishments) - by the gross value added by tourism activities. In this case, the expected positive impacts of natural resources on regional tourism dynamics were not observed, leading to a negative correlation between these two variables.

Although it could be argued that this type of negative correlation could be linked to the type of data used in the model (protective measures implemented in Natura 2000 areas could prompt a reduction in tourism dynamics), it was observed in the first study that these regions with more protected natural areas are also those where tourism demand is higher. This was confirmed by indicators of spatial autocorrelation revealing the existence of a large number of regions from Southern Europe, where abundant natural resources coexist with high levels of tourism demand and a low value added by tourism activities. Globally, these results suggest that massive tourism generates low positive impacts on regional economies, despite the potential negative impacts on ecosystems and landscapes.

## **2.2. Innovation and tourism**

Tourism is increasingly considered in the context of technological and social innovation. Following a similar methodology based on spatial econometric techniques and analyzing the same large set of European regions, another study (Romão and Nijkamp, forthcoming a) focused on the impact of immaterial elements of the territorial capital of each region (as a precondition for innovation dynamics, as defined by Capello et al., 2011) on the gross value added by the tourism sector, as a proxy for its competitiveness. In this case, the purpose of the analysis was to discuss how and if these preconditions (like the qualifications of human resources or the investment in research and development activities) could exert a significant impact on regional tourism competitiveness.

Although the results of the model confirmed some expected positive impacts on tourism competitiveness, (level of tourism demand, investment in the tourism sector or the level of specialization in tourism, when measured by the share of the gross value added by the sector within the regional gross value added), when specialization was measured taking into consideration the share of the work force employed in tourism, a negative correlation with tourism competitiveness could be found. Thus, this result suggests that regions where the tourism sector is more labor-intensive register lower levels of productivity, with lower levels of gross value added and lower impacts on the regional economies.

Like in the previous case, the analysis of local indicators of spatial autocorrelation revealed that Southern European regions are those where these problems appear to be more pronounced. Although the tourism demand or the investment in tourism are generally very high for these regions, a clear lack of connection between tourism, education of the population, investments in research and development activities and productivity was observed, suggesting important difficulties for the integration of knowledge into innovation processes. It was also clear that regions where education, innovation and productivity achieve a

higher importance (mostly in Northern Europe) are also those where gross value added in tourism is less relevant in the context of the regional economies.

### **2.3. Tourism and regional growth**

It goes without saying that tourism is a determinant of economic growth. A third level of analysis for the same group of regions and similar spatial econometric techniques has been applied in order to analyze the relation between territorial capital, tourism dynamics and economic growth, measured by the regional gross domestic product per capita (Romão and Nijkamp, forthcoming b). In this case, it was observed that regions more specialized in tourism and regions where natural resources are more abundant tend to show lower levels of revenue per capita, suggesting low impacts and benefits for the local economies arising from these territorial assets and economic activities. This analysis confirmed the results previously obtained by Milio (2014), concluding that regions more specialized in tourism and construction revealed lower levels of resilience when facing the international economic crisis that started in 2007.

These results also suggest a process of divergence between Southern (where tourism demand and specialization are more important) and Northern European regions, showing that those regions where tourism has a greater importance for the creation of value added are also among the less developed ones within the European context. At the same time, high levels of investment in the tourism sector were observed in Southern Europe, potentially contributing to high sunk costs in terms of equipment and infrastructures, which are not necessarily useful for other economic activities. On the other hand, regional specialization patterns concentrated around tourism activities tend to generate new opportunities for complementary services, new business or start-up companies, reinforcing the importance of the tourism sector, while focusing on the regional knowledge, labor skills and innovation capabilities in these activities.

These results also confirm the concerns expressed by Capó et al. (2007), concluding that the positive impacts of tourism on regional economies tend to decrease over time, potentially becoming negative in the long run. This is related to the processes of high investments of tourism products and services during the process of quick development of a tourist destination, potentially contributing to the reduction of importance of other economic sectors, including agriculture and manufacturing. In fact, a similar process has also been identified for the region of Algarve, located in the South of Portugal, where tourism reveals a high socio-economic importance (Romão et al., 2016).

### **2.4. Tourism and sustainable development**

The relationship between tourism and environmental quality is an uneasy one. The final study presented in this analysis (Romão and Neuts, forthcoming) concerns the impacts of different aspects of territorial capital (both material and immaterial assets) of European regions, along with their tourism dynamics, on the three pillars of sustainable development (economic, social and environmental) and, in particular, on the specific goals where tourism is expected to exert a positive influence (UNWTO, 2015) within the Millennium Goals defined by the United Nations Organization (United Nations, 2015). This analysis comprised a larger set of NUTS 2 regions (252) than the previous studies. Here, a structural equation model has been used, in order to deal with three dependent variables, used to assess the different dimensions of sustainability (GDP per habitant for the economic dimension, unemployment rate for the social issues and CO<sub>2</sub> emissions for the environmental factor).

Despite the different regional patterns of tourism dynamics coexisting in contemporary European regions, it could be observed that, for those where tourism assumes a larger socio-economic importance, the contribution of this sector to the achievement of the Millennium Goals is relatively poor. Confirming the results of the previous studies, this analysis also revealed that regions particularly endowed with natural resources are generally highly specialized in tourism, with a high tourism demand but reduced socio-economic impacts, generating a relatively low value added and leading to high levels of unemployment. As a positive note, these regions show a relatively good performance in terms of CO<sub>2</sub>-emissions, which can also be related to the low development of manufacturing activities.

On the other hand, the level of education seems to exert a very high impact on regional growth at European level, but regions where specialization in tourism is higher (when measured by the share of this sector within regional employment) seem to be those where the workforce is less educated. Nevertheless, high levels of education appear to be correlated with high levels of value added by tourism services, which suggests that the incorporation of knowledge into tourism products can contribute to the achievement of higher value added and higher socio-economic impacts in the regions. These different types of relations clearly reveal the heterogeneity of European regions regarding tourism dynamics and its impacts on the economy, which seem to depend on a broader set of variables.

### **3. Conceptual framework for a new agenda**

#### ***3.1. Authenticity, the environmental paradox and the importance of place***

As a place-based activity, the consumption of tourism services implies the physical presence of the consumers in the place where products and services are provided. Thus, this production relies on the utilization of territorial resources, which, at the same time, must be preserved for the future. This “environmental paradox”, as defined by Williams and Ponsford (2009), emphasizes the importance of the sustainable use of resources, which are essential for the supply of a broad set of tourism services comprising a unique experience that can differentiate among each destination. In this sense, the concepts of competitiveness (linked to the provision of unique services with high valued for the visitors) and sustainability (linked to the preservation of resources for the future) are clearly linked, as pointed out by Ritchie and Crouch (2003).

Although, in a first stage (see, e.g. Poon, 1994), the idea of differentiation and sustainability was clearly connected to the concept of niche tourism (as opposite to mass tourism), as proposed in early attempts to adopt the strategic formulations for the achievement of competitive advantages proposed by Porter (1985), other authors (e.g. Butler, 1999; Jafari, 2001) have later stressed the importance of this approach for all types of tourism destinations, with the necessary strategic adaptations depending on the position of each of them within its evolutionary life cycle (Butler, 1980). In fact, since the late 1990’s, a large number of authors have discussed the ideas of uniqueness and differentiation within the context of the need to preserve territorial resources and to control their utilization (e.g. Kozak, 1999; Buhalis, 1999; Hassan, 2000).

It seems also clear that the creation of a unique tourism experience based on local territorial resources enhances the possible connections with other related economic sectors, reinforcing the potential impacts on regional economies. In this context, it is not surprising that most international organizations with competences on tourism regulation and policies have defined principles and guidelines for tourism development taking into consideration the long term relations between the ideas of competitiveness and sustainability in tourism, as can be witnessed in documents published by UNESCO (2000, 2005), the European Commission (2007), the World Economic Forum (2008), or the UNWTO (2007, 2013, 2015).

#### ***3.2. Smart tourism, co-creation of destinations and experiences and the importance of information***

As a place-based activity, tourism services also present particular characteristics like co-terminality (direct interaction between producer and consumer), and spatiality and temporality (consumption and production of tourism services occur in the same place at the same time). With the recent and ongoing progress in the development of information and communication technologies, this potential circulation of information and interaction between tourism service providers and users has clearly increased, enhancing the potential for the development of practice and place-based innovation strategies.

Keeping in mind that innovation is essentially a localized learning process (European Commission, 2006; Hjalager, 2010), tourism destinations can be seen as cooperative innovative networks, where the coordination of a large set of products and services being offered – often by small or very small companies - must meet the particular needs, motivations and perceptions of a largely segmented market, with different

types of consumers. In particular, the increased interoperability offered by the developments related to the emergence of the so-called “social networks” (“Web 2.0”) create better conditions for the development of processes of co-creation of services (Liburd and Christensen, 2013) or to become “tools of mass collaboration” (Sigala, 2009). These collaborative processes can offer relevant impacts on the development of new, personalized and innovative services (Sigala, 2012), but also on the implementation of collaborative governance models (Sigala and Marinidis, 2012) or education and training processes (Liburd and Christensen, 2013).

In this context, the concept of “smart tourism” has recently also emerged (Boes et al., 2016), following a tendency to conceptualize processes of spatial or socio-economic development in contemporary societies (smart cities, smart specialization, smart development), by incorporating the potential contributions of new digital technologies to planning processes related to various aspects of life (environmental control, resource management, spatial planning, social balance, governance models, etc.). In the case of “smart tourism”, these aspects can be addressed at the destination level within processes of “coopetition” developed among companies, institutions and communities which do not necessarily share the same objectives (in fact, companies tend to be rivals) but need to cooperate in order to ensure the preservation of resources, authenticity of the local experiences, benefits for the local communities, shared use of resources, services and public spaces between tourists and residents, or other business-oriented activities like international promotion.

### ***3.3. Tourism life cycle, path dependence and the importance of history***

The importance of the analysis of the evolution of a tourism destination over time - and its policy and managerial implications - were early systematized by Butler (1980) in his conceptualization of the “tourism area life cycle”, by applying to tourism the product life cycle approaches developed in marketing and management studies. In the context of tourism, this analysis points out the differences over time of the type of visitors, influence on daily life of hosting communities, socio-economic impacts, investments in services, amenities and infrastructures, promotional efforts or resource management, implying different strategic responses and initiatives in different historical moments.

Emphasizing the spatial and historical dimensions of development processes, the conceptual framework proposed by evolutionary economic geography [EEG] (see e.g. Boschma and Martin, 2010, for a systematic overview of this conceptualization) seems particularly relevant for the analysis of place-based economic activities, as is the case for tourism. In particular, Ma and Hassink (2013) or Sanz-Ibañez and Clavé (2014) linked this theoretical framework to the evolving character of tourism destinations proposed by Butler. Brouder and Erickson (2013) offered a synthesis of the potential contributions of EEG to tourism studies, including the concepts of related variety (how different sectors are structurally interconnected) or regional branching (how the recombination of existing economic conditions, infrastructures and knowledge can lead to the emergence of new types of business).

Central to this approach is the concept of “path-dependence”, a set of territorial characteristics, which define the initial conditions for regional development, which influence and constrain the possible future outcome. The synthesis proposed by Martin (2014) for the main sources of path dependence can be clearly applied to the analysis of tourism destinations: natural resources (which are, in many cases, central aspects of tourism attractiveness); sunk costs of local productive, physical and infrastructural assets (with particular importance for the cases of transport infrastructures or large entertainment facilities); agglomeration economies, local external economies of specialization or localized spin-off firm births (interaction dynamics and agglomeration process within related economic activities); interregional linkages and dependencies (frequently occurring in the tourism sector, as travellers often visit more than one destination, not necessarily within the same administrative territorial unit) or local technological lock-in (as a result of the concentration of knowledge production in a prominent economic sector, which, in the case of tourism, does not seem particularly advanced). Thus, it seems clear that the dynamics of the tourism sector and the processes of regional development are strongly dependent on the initial conditions each region has to face.

### **3.4. Integrative diversification, specialization and the importance of variety**

Assuming the evolution of a regional economic system as a historical and place-dependent process of mutation, where knowledge spillovers arising from the interaction between different agents (and sectors) potentially generate innovative solutions, the strategy of tourism product development and destination differentiation proposed by Benur and Bramwell (2015) – “integrative diversification”, adding secondary products and services to the core elements of the regional tourism supply, is fascinating. This strategy, aiming at the diversification and increasing value added of tourism supply, seems to be compatible with the EEG conceptual framework, which focus on the internal processes and mechanisms by which an economy self-transforms itself, assuming a spatially uneven distribution of economic activities evolving along time.

In this sense, the concepts of path dependence (how past decisions, development processes or traditions act as preconditions for the present actions and outcomes) and related variety (interconnections between related economic sectors) appear as particularly useful when analyzing not only the diversification of tourism services and destination management, but also their connection to other economic activities, in the broader context of regional innovation or development policies. In particular, the incorporation of knowledge and new technological developments related to information and communication technologies, multimedia production, transportation solutions or energy production and consumption appear to have a high potential to develop more close and strong connections with innovation dynamics in tourism.

As observed in a previous study (Romão and Nijkamp, forthcoming b), regions where tourism achieves a higher importance within the regional economy are also those where investment in the tourism sector is higher (and also correlated with low levels of economic growth), which can be related to sunk costs, agglomeration processes and interdependencies, as sources of path dependence. On the other hand, regions with high specialization in tourism show, in general, those low levels of qualification of the work force or low investments in research and development activities (Romão and Nijkamp, forthcoming a). Although this disadvantage in terms of knowledge production and innovation capabilities appears as an obstacle, a structural transformation and diversification of these regional economies (mostly in Southern Europe), reducing the dependence of tourism activities, seems to be needed, in order to achieve higher levels of value added and well being.

## **4. Outlook: challenges for the future of European tourism**

### **4.1. Memorable trips: Personalized and authentic experiences**

Tourism is mostly about providing memorable experiences, which offer value to the visitors, according to different motivations, perceptions and needs. In the context of a globalized competition between tourism destinations, this segmentation of demand requires an accurate and precise differentiation of supply, in order to meet the needs and desires of different consumers. In this sense, the interoperability arising from the utilization of information and communication technologies within the tourism sector appears as a powerful tool for this achievement.

This intense flux of information also implies a higher transparency about the services provided and, in that sense, a higher pressure to guarantee high levels of quality. In this sense, the communication between producers, consumers and institutional managers is also a powerful tool to enhance the processes of “co-creation” of experiences, potentially contributing to the development of services and practices, which correspond to the existing resources and capacities, while fulfilling the expectations of the visitors.

To do so, this process of differentiation must be rooted in the authenticity and uniqueness of the local territorial resources, the local cultural values and the carrying capacity of sensitive resources, both at natural or cultural levels, and also including the utilization of public spaces, local services or transportation networks. This question has prompted important problems during the 1960s and 1970s, when a very strong and massive development of tourism in coastal areas was observed, with important negative impacts on ecosystems and landscapes. Today, with the new tourism trends and the massification of urban tourism,

new challenges can be observed in the context of cities, with new problems related to inflationary processes (at least in some urban centers), house shortage or inflation in rents, congestion in transportation networks, or commodification of local cultures.

#### **4.2. Diverse economies: Tourism in the context of an innovative economy**

As observed, digital technologies - not only related to information and communication, but also related to multimedia production or geo-representation and visualization - with an increasing number of possible applications in mobile devices, have a high potential for development within the tourism sector, contributing to the achievement of higher value added, integration of knowledge into products and services, and improvements in the qualifications of the labor force involved in the sector. Moreover, the rising importance of the integration of cultural and symbolic values into products and services – and, in particular, in the tourism experiences - can contribute to benefiting a large number of creative activities.

Nevertheless, the relatively poor achievements - in terms of economic growth, sustainable development or socio-economic resilience – observed in the regions most dependent on tourism, suggest the importance of a reorganization of their regional economic structures. Moreover, it is also important to notice that a regional process of specialization focused on a small number of related sectors tends to increase the potential spinoffs between them, but it also increases the vulnerability of the regional economic structure to negative impacts on those sectors. Keeping in mind the relative volatility of tourism demand, which is extremely sensitive to factors that are not easily controllable (weather conditions, fashion and trends, emergence of new destinations, variations on available income or security threats), it seems advisable to develop a balanced economic structure that is not strictly dependent on tourism activities.

Moreover, as it has been observed, tourism services do not always generate high levels of value added to the regional economy and do often not incorporate advanced knowledge and technology. Thus, mostly when regions are in the development stage of tourism development, with a high growth of tourism demand and the consequent expectations for high returns on investment in the short run, it seems important, in the context of regional policies, to ensure that the development of tourism related activities is followed by the development of other economic sectors, which can contribute to a higher integration of knowledge, innovation, qualified human resources and value added in the regional economies.

#### **4.3. Shared spaces: Communities, places and participatory governance**

There is no tourism without tourists and there is no destination without communities of residents. Thus, public spaces, public and private services, natural and cultural resources or transportation and mobility services and infrastructures, which are used for the daily life of residents, must be shared with an increasing number of visitors, in the context of a continuous and relatively high growth of tourism activities in Europe. This implies new problems and requires coordination and regulation policies, both in rural areas (where the implications on sensitive natural resources are more relevant) and urban centers (where congestion, inflation or gentrification processes are more important).

Although the general principles for sustainable or smart development call for the implementation of participatory processes of governance at local level, this aspect is far from being implemented in most places. The (sometime massive) presence of tourists temporarily living within a local community creates new problems and challenges regarding the shared use of resources. Keeping in mind that tourism, like any other economic activity, should contribute to the well being of the communities, the potential problems and benefits related to their presence should be adequately addressed.

In this sense, the effective implementation of participatory processes of decision, planning, management and monitoring of tourism destinations appears as a crucial aspect of future development, assuming that tourism will continue to increase in the future. In this sense, the awareness to this problem already assumed at international level, the potential role of information and communication technologies enhancing the processes of collective decision making and the increasing levels of education and social

awareness of the populations, seem to create adequate conditions for the implementation of such processes. Tourism is on a rising edge all over the world, but economic and political cycles cause quite some fragility for this sector, so that a broad-based and well-anchored tourism sector seems to be a wise strategy for all stakeholders involved.

## **5. Concluding remarks**

By using the results previously obtained in a series of studies about the regional dynamics of contemporary European tourism, this paper aimed at proposing and discussing a conceptual framework for the analysis of some relevant problems observed, mostly in regions where tourism achieves higher importance within the regional economic structures, as it is the case of most of the Southern-European regions. From this conceptual framework, three major challenges for tourism development were proposed, aiming at overcoming the problems identified and raising some question to be addressed at policy and managerial level, not only, in the strict sense of tourism dynamics, but mostly focusing on the relation between tourism, territorial resource management, innovation policies, specialization patterns or living conditions of the host communities. Aspects related to the incorporation of information and knowledge into the tourism sector and to different levels of territorial governance appear as crucial elements, as they can impact the three challenges previously identified.

The development and increasing interoperability related to information and communication technologies has led to a deep transformation in the tourism sector in the last 20 years. Concepts like the co-creation of tourism destinations or smart tourism emerged in the literature, reflecting new business and managerial practices, increasingly incorporate information and knowledge, while contributing for a more transparent, informed and fruitful experience. This process can lead to the development of new services, with higher value added and requiring more skilled human resources. On the other hand, new and more precise processes of monitoring tourism flows and resource management by policy institution can benefit from these technological development, while participatory processes of analysis and decision-making can potentially be developed, involving the different stakeholders involved in the complex tourism system, including the communities of residents in tourism destinations.

The incorporation of information, knowledge and technology into tourism products and services calls for their integration into broader innovation and human resource plans, requiring policies that can frame the tourism sector within the regional socio-economic strategies. This framework is also necessary in order to guarantee a balanced economic structure, where the connections between tourism and other sectors can be maximized, while preventing the dependency on the fluctuations of tourism demand. On the other hand, the utilization of sensitive territorial resources related to nature or culture, along with the management of public spaces and infrastructures requires the implementation of processes of participatory decision, involving the local population in planning and monitoring tourism development and its impacts.

The general problems and challenges proposed can have different characteristics and importance in different regions. Aspects like the position of each destination within the tourism life cycle, the importance of tourism for the regional economy, the level of qualifications and type of skills of the working force, the innovation capabilities or the investments already made in tourism-related equipment and infrastructures clearly impose different conditions and constrains for the implementation of new policies. At the institutional level, the maturity and coordination between different regulatory and planning organisms or the tradition on community-based participatory decisions can also vary according to local social and historical conditions. In that sense, specific research is required in each region in order to identify which are the crucial problems and challenges to be addressed.

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