



# Sustainable Tourism Development in the Baltic Sea Region

*A guideline for  
strategic cooperation in tourism*

July 2007

**Wolfgang Günther  
Karen Winkler**

agora



Institut für Tourismus- und  
Bäderforschung in Nordeuropa GmbH  
Wrangelstr. 16, D -24105 Kiel  
Email: [info@nit-kiel.de](mailto:info@nit-kiel.de), [www.nit-kiel.de](http://www.nit-kiel.de)

## Overview

- Content:** Guideline for strategic cooperation in tourism
- Basis:** Overview of existing tools and methods (working paper 1); comparative assessment of existing tools and methods (working paper 2); literature review
- Client:** Prof. Dr. Wilhelm Steingrube  
Ernst-Moritz-Arndt Universität Greifswald  
Institut für Geografie  
Makarenkostraße 22  
D - 17487 Greifswald
- Concept and development:**  Institute for Tourism and Recreational Research in Northern Europe, Kiel  
  
Wolfgang Günther  
Karen Winkler
- Financial support:** This project is part-financed by the EU through the Interreg III B programme and approved as a Baltic 21 lighthouse project
- Status:** July 2007

## Content

	page
Checklist .....	1
Introduction .....	3
A step by step guide to strategic cooperation .....	6
Step 1: Situation analysis.....	7
Step 2: Aim .....	8
Step 3: Identify possible partners .....	8
Step 4: Create the cooperation .....	10
Step 5: Manage the cooperation .....	15
Step 6: Evaluation .....	17
Literature.....	18
Agora framework.....	20

## Figures

	page
Fig. 1: Potential benefits of cooperation.....	4
Fig. 2: Potential difficulties of cooperation .....	4
Fig. 3: Steps in strategic cooperation .....	6
Fig. 4: Example of a partner profile .....	7
Fig. 5: Examples of cooperation aims.....	8
Fig. 6: Determining the overall structure of cooperation ....	11
Fig. 7: Definitions of organisational diversity .....	11
Fig. 8: Model of a tourism cluster map .....	13
Fig. 9: Partnership proposal .....	14

## Checklist

The following checklist summarises the main aspects that you should undertake in order to build up a strategic cooperation. You can use this checklist to develop a new cooperation as well as to review an already existing one. Explanations for each of these aspects are provided in this guideline.

### Step 1: Situation analysis

- Have you analysed the issue that you want to approach and are you sure that cooperation is the best way to do so?
- Have you checked that you are prepared to partner?
- Have you identified your weaknesses that a potential partner should be able to counterbalance?
- Have you identified your strength that you have to offer to a potential partner?

### Step 2: Aim definition

- Have you defined what the aims of your planned cooperation are?

### Step 3: Identify possible partners

- Have you considered the different sources for identifying possible partners?
  - Through existing contacts?
  - Through the Internet?
  - Through an intermediary?
  - Through trade fairs?
- Have you made contact with possible partners?
- Have you assessed all possible partners in terms of your partner profile? Does your partner have the required competencies ('hard' factors)? Does he have the necessary 'soft' factors, i.e. do your organisations harmonise with each other, is your partner committed to the cooperation and do you get along with each other?

### Step 4: Create the cooperation

- Have you chosen the formality, time-frame, geographical reach and size of your cooperation as required by your purpose of cooperation?
- Have you considered the implications of choosing these characteristics for your cooperation?
- Have you checked whether your purpose of cooperation is in agreement with the type of organisational diversity that you have chosen through selecting your partner?
- Have you and your partner agreed on all the details needed for the cooperation to function?

### **Step 5: Manage the cooperation**

- Have you considered how to build up and/or maintain trust between you and your partner?
- Have you considered how to communicate and exchange information with your partner?
- Does your cooperation have clearly stated goals and objectives?
- Is your cooperation adequately funded in terms of finances and manpower?

### **Step 6: Evaluation**

- Have you set up a system to monitor your progress towards the aims of your cooperation?
- If your cooperation is already up and running, have you frequently checked your progress towards these aims?

## Introduction

The aim of this part of the agora tool box is to provide an instrument for strategic cooperation in tourism. This paper represents the final step in reaching this aim by providing a guideline on this topic.

### What is strategic cooperation?

The issue of strategic cooperation can go by various names and frequently used terms include coalitions, forums, alliances, task forces, clusters, networks and public-private partnerships<sup>1</sup>. All these terms represent slightly different forms of one idea which is usually called 'collaboration' as an umbrella term in the literature.

Collaboration can be defined as 'a process of joint decision-making among key stakeholders of a problem domain about the future of that domain' (Gray 1989 in Jamal and Getz 1995, p. 187). As you can see from this definition, collaboration can take place between any type of stakeholder. The most prominent examples for collaboration within the tourism industry are those where large businesses are involved; strategic alliances between airlines, for instance. These, however, are not the focus of this guideline, but rather small and medium size enterprises (SMEs), local and regional tourism organisations and associations as well as local authorities and other institutions that are involved in tourism.

---

<sup>1</sup> The difference between these terms will be explained later on.

### Rationale for strategic cooperation in tourism

The issue of strategic cooperation is becoming more and more important as it can be a means to deal with various challenges that not only the tourism industry is facing. Over the last decade, the tourism sector had to face and is still facing major challenges such as changing market demands, increasing competition and the need to make do with insufficient resources (WTO 2001). Due to this, some consider cooperation as an inescapable survival strategy, others as a voluntary way to success (Müller 2005).

Furthermore, the very nature of the tourism product requires the cooperation of individual tourism suppliers as it is essentially a 'production system'. Tourists at a destination draw their benefit from the whole range of single product parts on offer, not just from their accommodation or one particular restaurant (Wöhler 2001). Hence, the single product parts complement each other and make the individual suppliers at a destination dependent on each other.

Clearly, this is not a new realisation and to a certain extent cooperation has always been undertaken within the tourism industry. However, because of the mentioned changes, even more cooperation is now required in order to meet changing consumer demands, gain a competitive advantage and mark one's place on the tourist map. Ullmann (2000) writes that this basically requires nothing more than building on already existing structures, only with the differences that new relationships need to be deliberately selected with the purpose of improving the overall product offer.

## Why should I cooperate?

The basic rationale for cooperating with others was discussed above, but there are also further advantages for the individual stakeholder. These are shown in Fig. 1.

**Fig. 1: Potential benefits of cooperation<sup>2</sup>**

- ▶ Economical advantages, economies of scale
- ▶ Increased and enhanced competitiveness
- ▶ Increased ability for innovation and flexibility
- ▶ Combine forces, develop and implement strategic solutions
- ▶ Exchange of information and experiences with partners
- ▶ Increase of efficiency through bundling resources, no double undertaking of the same tasks
- ▶ Improved ability to respond to market trends as collaboration allows for more flexibility (see above)
- ▶ Ability to offer a complete 'product system' due to involvement of more than one supplier
- ▶ Improved market access due to more effective use of marketing resources
- ▶ Improved possibilities for creating marketable products due to involvement of more than one supplier
- ▶ Creating a destination identity among suppliers which matches the destination image that the tourist has (in relation to the geographical reach of the destination)
- ▶ Overcoming parochialism and creating 'destination-wide' tourism planning
- ▶ Overcoming the fragmentation of tourism suppliers
- ▶ More constructive and less adversarial attitudes due to working together

<sup>2</sup> Based on Bramwell and Lane 2000; *N.I.T.* 1999; Ullmann 2000; Wöhler 2000; WTO 2001

Still, cooperation is certainly not easy because it involves many different stakeholders, which may even be direct competitors. Some of the difficulties that you may encounter are listed below:

**Fig. 2: Potential difficulties of cooperation<sup>3</sup>**

- ▶ Sometimes only limited tradition of stakeholder involvement
- ▶ Partnership set up only as 'window-dressing' to avoid tackling real problems
- ▶ Healthy conflict may be stifled
- ▶ Not enough resources for additional staff time, leadership and administrative resources
- ▶ Actors do not want to reduce own power or work with unfamiliar partners or adversaries
- ▶ Less powerful stakeholders are excluded from process or have less influence on it
- ▶ Danger of power passing to groups or individuals with more effective political skills
- ▶ Disinterest of key parties in working together
- ▶ Vested interests and established practices block innovation
- ▶ Costly and time consuming
- ▶ Complexity of collaboration makes it difficult to involve all equally
- ▶ Fragmentation in decision-making and reduced control over implementation

As you can see from this list of potential problems, cooperation can only work if all stakeholders are truly committed to the undertaking. However, this is only one critical success factor for collaboration as you and your cooperation partner need to do even more in order to benefit from cooperation as discussed next.

<sup>3</sup> Based on Bramwell and Lane 2000

### Critical success factors for cooperation<sup>4</sup>

In order for your cooperation to work and to be successful, certain conditions need to be fulfilled: First of all, your planned cooperation should have certain results which serve as an incentive for stakeholders to join; these are (based on Müller 2005):

- ▶ The development of a win-win situation for all stakeholders
- ▶ Common expectations
- ▶ The prospect of cost reductions or prevention of a ruinous competitive environment

If your cooperation promises to fulfil these conditions, then the participants themselves, including you, should also fulfil certain characteristics which make the collaborative effort more likely to be successful (based on Saretzki, Wilken and Wöhler 2002; WTO 2001):

- ▶ Trust
- ▶ Respect for each other
- ▶ Willingness and ability to collaborate
- ▶ Willingness to learn
- ▶ Willingness to understand each other's needs
- ▶ Willingness and ability to contribute to shared resources
- ▶ A flexible approach on the part of all stakeholders
- ▶ Long-term commitment
- ▶ An equal partnership

Lastly, there are also certain principles and therefore further success factors in setting up or operating your cooperation (based on Müller 2005; Ullmann 2000; WTO 2001):

- ▶ Common aim, common language and common definitions
- ▶ Communication
- ▶ A strategy for the whole project
- ▶ A good leader
- ▶ Financial management and skills to acquire funding
- ▶ Precise task sharing and task definitions based on defined core competencies
- ▶ Concentration on those areas that can be fulfilled best
- ▶ Need for a balanced structure within the cooperation with clear roles and responsibilities for all stakeholders
- ▶ A long-term commitment combining a strategic vision and plan with shorter-term goals and measurable activities; all developed by involving all stakeholders
- ▶ A good project atmosphere
- ▶ Professional management of the cooperation
- ▶ Mediation in conflict situations
- ▶ Process moderation
- ▶ Include generalists and experts
- ▶ Conscious composition of partners
- ▶ The success of cooperation has to be regularly assessed on the basis of mutually defined goals.
- ▶ A cooperation that does not deliver results anymore has to be terminated.

---

<sup>4</sup> Success factors for strategic cooperation were also identified at the 3<sup>rd</sup> agora meeting in Oct. 2006, based on the project partners' practical experience. The workshop results have been integrated here.

### Cooperation and sustainability

Through cooperation you can also make a contribution to reaching the aim of sustainability. Although cooperation in itself cannot be sustainable, it can contribute to sustainable tourism development through its integrative approach. In order to successfully implement sustainable tourism, a wide range of tourism stakeholders need to be included, hence cooperation provides an ideal basis to do so. Furthermore, the fragmented and diverse nature of the tourism industry is frequently a barrier to the adoption of sustainable practices and as cooperation can help to overcome this fragmentation, it can also help to spread sustainable practices (Vernon, Essex, Pinder and Curry 2005). Also, cooperation allows for a more efficient resource use which in turn leads to an enhanced ‘benefit impact relation’ (BIR) for the destination and thus a more positive outcome from tourism.

### Practical remarks

The present guideline is based on two previous papers which have also been produced within the agora project. The first of these papers provides an overview on the topic of strategic cooperation and the second a comparative assessment of existing tools and methods for strategic cooperation<sup>5</sup>. Due to spatial constraints, the present guideline occasionally has to refer to these earlier papers, these are then called ‘Paper I’ and ‘Paper II’ to simplify matters. Furthermore, it needs to be mentioned that the present guideline refers to cooperation partners only in singular form and not in plural. This is also done to simplify matters and does not mean that only two partners can be involved in cooperation; clearly there can also be more.

<sup>5</sup> Both papers are available on [www.agora-tourism.net](http://www.agora-tourism.net).

## A step by step guide to strategic cooperation

In order to build up a strategic cooperation, you have to go through the steps shown in Fig. 3. This order is not compulsory as steps 2, 3 and 4 may overlap, but has been chosen here because it is the most logical way for building up cooperation. Each of these steps will be described in more detail in the remainder of this guideline.

**Fig. 3: Steps in strategic cooperation**



## Step 1: Situation analysis

If you are thinking about cooperating with others, then you probably want to solve a problem that you have or simply improve on a certain issue. But before you try to find a suitable partner, you need to take some time and analyse the situation you are in, as you would in any other strategic decision. By going through each of the following steps, you will build up a partner profile which you need later on in the cooperation process. An example of a partner profile is shown in Fig. 4.

### Is cooperation the solution for your problem?

First of all, you need to analyse the problem or issue that you want to tackle in order to determine how cooperation can actually contribute to the issue and whether it is the best way to do so. If you do not have a realistic expectation about the possible outcomes of your planned cooperation, then you are likely to be disappointed by the outcomes.

### Are you prepared to partner?

As mentioned in the introductory chapter, there are some critical success factors for cooperation which concern the cooperation partners themselves. This means, for example, that you have to trust your future partner, that you are willing to learn from each other and that you are willing to contribute to shared resources. At this early stage, you should test yourself and go through these critical success factors to see whether you are really prepared to partner or whether you have reservations about some of these issues.

### What do you need from a partner?

If you are sure that cooperation is the solution for you, then you should continue your analysis and determine what exactly it is that you need from a partner in order to solve your problem. In other words, what are your weaknesses (in relation to the issue to be tackled) that a possible partner should counterbalance? Usually, the best partners are those which are strong in those areas in which the own organisation has its weaknesses (BMW 2003).

### What strengths do you have to offer?

Next, you should also define the strengths of your organisation, i.e. what you have to offer to a potential partner. Just as you want to benefit from your partner's strength, so will he want to gain certain benefits from cooperating with you!

#### Fig. 4: Example of a partner profile

**Question:** What exactly is the problem that you want to solve through cooperation?

**Example:** I want to develop a new bike tourism product.

**Question:** What are my weaknesses?

**Example:** I only have experience with tourist accommodation, but not with bike tourism. I can offer accommodation, but I need someone who has rental bikes and can organise the tours.

**Question:** What strengths should a potential partner have?

**Example:** He should have experience with bike tourism and should be able to provide the equipment.

### Task checklist:

- ▶ Have you analysed the issue that you want to approach and are you sure that cooperation is the best way to do so?
- ▶ Have you checked that you are prepared to partner?
- ▶ Have you identified your weaknesses that a potential partner should be able to counterbalance?
- ▶ Have you identified your strengths that you have to offer to a potential partner?

### Result of step 1:

- ▶ Clear idea of what your partner should bring into the planned cooperation and what you have to offer to a possible partner.

## Step 2: Aim definition

In the previous step, you were asked to undertake a situation analysis and above all an analysis of your particular problem. If you have decided that cooperation is the best way to solve your problem, then you need to define the aim(s) of your cooperation next, i.e. what you want to achieve with your cooperation. Examples of possible aims are shown in Fig. 5.

You should be very precise about what your aims are as this will enable you later on to align your activities closely to what you want to achieve. Furthermore, having clear aims will also ease the process of finding a possible partner as you will be able to state exactly what you want to achieve together with him.

**Fig. 5: Examples of cooperation aims**

- ▶ To develop and distribute a bike tourism product.
- ▶ To increase the number of customers buying product x.
- ▶ To prepare a destination development plan.

### Task checklist:

- ▶ Have you defined what the aims of your planned cooperation are?

### Result of step 2:

- ▶ Clear idea of what you want to achieve with the cooperation.

## Step 3: Identify possible partners

By going through the different analyses in step 1, you have built up a partner profile that you should use now to identify suitable partners. If you already have an existing partner for whatever reason, then you need to check whether he fits the partner profile for your particular cooperation purpose. If so, you can continue with step 4. If not, you should consider the points below for identifying a suitable cooperation partner.

### Consider existing contacts

The easiest way to find partners is through already existing contacts. This has the advantage that you already have some detailed information about the organisation and that you know each other already. This also enables you to assess whether this potential partner fits your organisation in terms of certain 'soft' factors. These are just as important as the 'hard' factors, i.e. the

competencies of possible partners defined in step 1. Therefore, you should check whether your potential partner fulfils the following characteristics (based on BMWI 2003):

- ▶ Does your organisation harmonise with the other partner organisation and its management, e.g. in terms of business culture or management style?
- ▶ Is your potential partner sufficiently committed to the cooperation, e.g. in terms of time, personnel and finances?
- ▶ Do you personally get along with your partner?

### **Other sources for possible partners**

If you want to or have to search for possible partners that you do not know yet, you should consider the following possibilities (based on BMWI 2003):

- ▶ Internet – many trade organisations (e.g. the local/regional chamber of commerce) and other institutions offer virtual market places for cooperation in which you can search for other companies.
- ▶ Use an intermediary – the initiation of cooperation usually works best if undertaken through personal contacts. The most often used intermediaries are accountants, consultants, and lawyers etc., i.e. professions who are in contact with many other organisations. Additionally, friends and relatives are also often used as intermediaries for cooperation. If you want to use this source, you should simply spread the word that you are looking for possible partners.
- ▶ Trade fairs also offer an opportunity to find possible partners.

### **Making contact and assessing the partner profile**

Once you have identified possible partners, you should contact these and find out whether they are interested in cooperating with you and whether they fit your partner profile. If you are considering an organisation that you do not know yet, it will be more difficult to assess whether this organisations fulfils your partner profile in terms of ‘hard’ and ‘soft’ factors. As this fit is absolutely vital for your planned cooperation, you should take the time to make sure that you select the right partner.

### **Task checklist:**

- ▶ Have you considered the different sources for identifying possible partners?
  - Through existing contacts?
  - Through the Internet?
  - Through an intermediary?
  - Through trade fairs?
- ▶ Have you made contact with possible partners?
- ▶ Have you assessed all possible partners in terms of your partner profile? Does your partner have the required competencies (‘hard’ factors)? Does he have the necessary ‘soft’ factors, i.e. do your organisations harmonise with each other, is your partner committed to the cooperation and do you get along with each other?

### **Result of step 3:**

- ▶ Identification of a suitable partner to realise the planned cooperation.

## Step 4: Create the cooperation

Before you embarked on the process of finding a suitable partner for your cooperation, you probably already had a good idea of what your future cooperation should look like. In this step, you need to turn your idea into reality and define the structure and content of your cooperation in more detail.

### Cooperation can take many forms

As mentioned before, cooperation can take many different forms. Because of this, Paper I has established a typology according to which any cooperation can be described in relation to the following parameters:

1. Purpose (e.g. product development, marketing etc.)
2. Formality (loose vs. formalised)
3. Time-frame (one-off vs. long-lasting)
4. Geographical reach (small vs. wide)
5. Size (small vs. large)
6. Organisational diversity (horizontal, vertical or diagonal cooperation, public-private partnership)

Each of these parameters and its different characteristics are discussed in the following.

#### (1) Purpose as the starting point for cooperation

The purpose is usually the starting point for any cooperation. This is also why you were asked in the first step of this guideline to identify the issue that you want to deal with through cooperation. Therefore, you have already defined the purpose of your cooperation. All other parameters (2. to 6.) are secondary to

the purpose of the collaboration and you should arrange these as required by your purpose of cooperation.

#### (2 - 5) Formality, time-frame, geographical reach & size

The formality of your cooperation can vary on a continuum from less to more formal relations. It can, for example, just be based on a verbal agreement between you and your partner or you can draw up a formal contract. The degree of formality of your cooperation can also influence its time-frame, i.e. its duration. The more formal a cooperation is, the more likely it is to be long-lasting. However, it is also possible that a rather informal collaboration can last for a long time, depending on the intentions of the individual stakeholders.

The geographical reach of your cooperation can also vary on a continuum from destination-based to international. Depending on the purpose of your cooperation, you may want to partner with an organisation that is further away or with one closer to you. Just as the geographical reach, the size of a cooperation can vary quite distinctively regarding the number of participants. Obviously, you need at least one partner, but there is no limit regarding the maximum number.

Your task is now to choose the characteristics of these four parameters according to the purpose of your cooperation. When you do so, you should consider that each characteristic has certain advantages and disadvantages. These are described in detail in Paper II and you should be aware of these when making your decisions. Depending on your purpose of cooperation, it may happen that you have no option but to choose a certain characteristic. If this is the case you should also consider the advantages and disadvantages of this option as being aware of

them will help you to encounter the disadvantages and to benefit from the advantages. An example of how you could determine the overall structure for a certain purpose of cooperation is shown in Fig. 6.

**Fig. 6: Determining the overall structure of cooperation**

- ▶ Purpose: To develop a regional tourist route
- ▶ Formality: There should be a relatively high degree of formality in order to guarantee the existence of the route for a longer time.
- ▶ Time-frame: This should be relatively long (for the same reason as above).
- ▶ Geographical reach: As a regional tourist route is to be developed, the reach of the cooperation is also regional.
- ▶ Size: The size of this cooperation cannot be very small as a route needs a certain number of attractions in order to exist.

### (6) Organisational diversity

The last parameter through which cooperation can be described is the organisational diversity as different types of organisations can be involved in it. Frequently found forms are horizontal, vertical and diagonal cooperation or public-private partnerships (see Fig. 4 for the definitions), but other combinations are also possible. In practice, each of these forms can be found, but often cooperation also involves a mix of these.

As shown in Fig. 7 below, each of these forms has a particular aim and obviously, every arrangement also has its advantages and disadvantages (see Paper II for more details on these). However, as you have already chosen your partner based on the purpose of your cooperation, you have also automatically

determined the organisational diversity of your cooperation. Hence, you should check at this stage whether your purpose of cooperation is in agreement with the type organisational diversity that you have chosen through selecting your partner in step 2.

**Fig. 7: Definitions of organisational diversity**

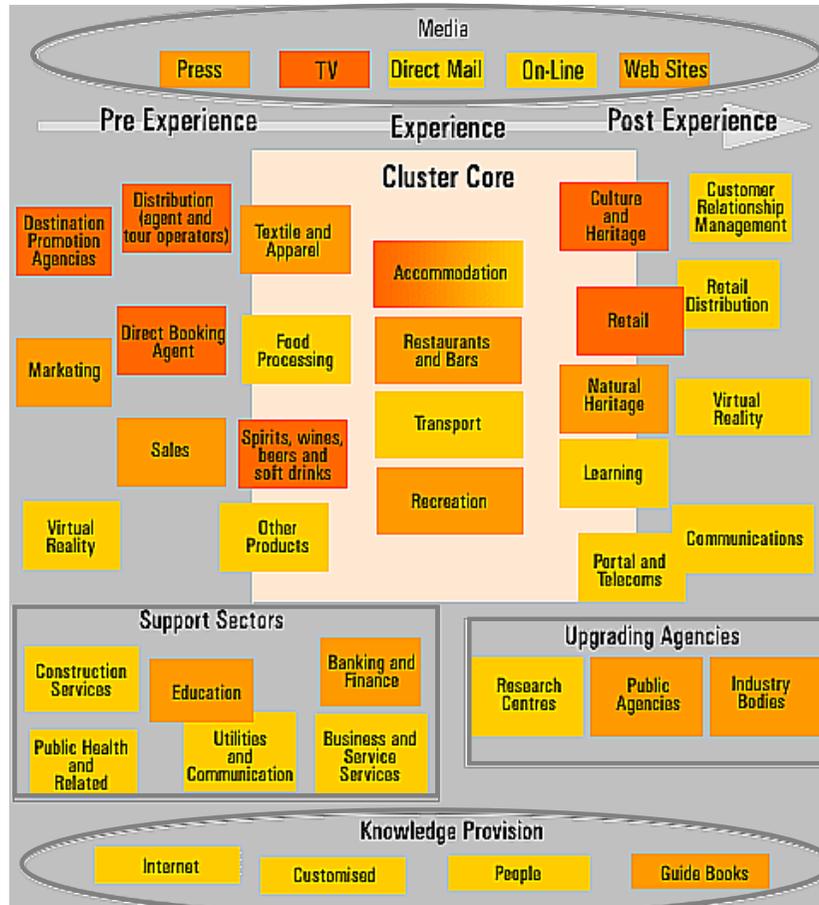
- ▶ **Horizontal collaboration:** exists where only organisations which have the same purpose or the same business area decide to work together, e.g. a hotel cooperation. Usually, the aim is to create economies of scale (Müller 2005).
- ▶ **Vertical collaboration:** exists where organisations situated along the same value chain cooperate, e.g. a hotel with a tour operator. Usually, the aim is to widen the product offer of the individual organisation (Müller 2005).
- ▶ **Diagonal/lateral collaboration:** exists where organisations cooperate with organisations outside their own sector, e.g. a tourism operator with a retail trade organisation. Usually, the aim is to use one's own competencies more widely (Müller 2005).
- ▶ **Public-private partnership:** exists where one or more public sector organisations cooperate with one or more private sector companies. Often, PPPs are created where the operation of public infrastructure such as swimming pools, for example, is concerned. One of the main reasons for doing so is the lack of public finances, but there are also others (see Paper II).

In Paper I and II, a fifth form of organisational diversity was also included, that of clusters. These can be defined as '[...] geographic concentrations of interconnected companies and institutions in a particular field, linked by communalities and complementarities' (Porter 1998, p. 78 in Nordin 2003, p. 11). Illustrating this definition with the example of the tourism sector, it refers to tourism companies and other directly or indirectly sector related companies in a certain geographical location, which benefit from the same customer base (i.e. tourists) and which complement each other by servicing tourists in different ways (directly and indirectly) and therefore provide the 'tourism product' of the destination (see Fig. 8 for a model of a tourism cluster map).

In a way, one could say that any destination could be considered a tourism cluster. This is certainly true to the extent that all destinations provide the usual mix of tourist and supporting activities, but 'to say that all tourism destinations are integrated systems would be far from the truth. Tourism destinations when fully developed make up the core of tourism clusters, but far from all qualify for this level of cooperation. Many destinations lack a system dimension and do not have a shared vision of even common goals' (Nordin 2003, p. 18). Hence, one can only speak of a cluster when the concerned entrepreneurs are conscious of their role in this cluster and purposefully use this knowledge to identify opportunities for collaboration as well as to realise the limits of doing so.

From this discussion, it should be clear that clustering is not a process that can be set out in writing. Instead, it is a type of collaboration that is rather informal and complex and therefore relatively difficult to initiate. Nevertheless, as clustering has its advantages and disadvantages, just as the other forms of cooperation as well (see Paper II for these), it is well worth to keep this possibility for cooperation in mind. You could e.g. look for already existing clusters that you could join or support the formation process of a new cluster.

**Fig. 8: Model of a tourism cluster map**



Source: Scotexchange 2003

### Agreeing on the details

So far in this step, you have defined the overall structures for your cooperation, i.e. you have created its framework. However, more details need to be agreed on between you and your partner before your cooperation can start working. Issues such as e.g. objectives, different roles and responsibilities or timetables need to be discussed. These examples are taken from Fig. 9 which lists important details that should be considered at this stage. Your task is now to go through these details step by step (not all may be relevant for your particular case) and to clarify each issue in relation to your cooperation and your partner.

It is absolutely crucial at this stage that all major aspects and decisions are put down in writing so that each partner knows what to do and what to expect. You should also be aware of the fact that '[...] a partnership is more than a business case. A partnership begins with a lot of preparation and much of the preparation involves establishing the relationship. It is here that a degree of leadership needs to be present. In other words, the 'soft skills' of communication, negotiation and relationship building prove time and again to be paramount' (WTO/Canadian Tourism Commission 2003, p. 11).

**Fig. 9: Partnership proposal**

- ▶ **Objectives for the partnership:** What will be achieved and the ways and means in which partners can evaluate if the objectives have been achieved (i.e. benchmarks, targets and time frames).
- ▶ **Roles and responsibilities:** In some cases, responsibilities will overlap or be shared by partners; in other cases the roles will be very discrete.
- ▶ **The contribution of partners:** Should be quantified where possible (i.e. financial contributions, a particular mailing list, a set amount of room-nights or airline seats, hours of consulting or media time).
- ▶ **Acceptable levels of risk for each of the partners:** What is the risk? Construction, operating risk, marketing? Is the reward commensurate with the risk undertaken?
- ▶ **Participation criteria:** Where additional partners are to be brought into the arrangement, the current partners should discuss how and when the new partners will be selected as well as any limits on participation (e.g. location, type of business, size, level of competition, etc.).
- ▶ **Confidentiality:** What level of confidentiality/publicity is to be maintained for the venture?
- ▶ **Product and packaging issues:** Issues could include the type and name of the product or package to be developed, or the development/design process to be followed.
- ▶ **Marketing plan:** Target markets, key marketing activities, and associated budgets.
- ▶ **Ownership:** If anything is to be owned, what arrangements need to be put in place? Issues could range from sharing existing databases, jointly building up a customer list that is owned by all partners, or jointly acquiring or developing technology that is to be shared by participants.

**Fig. 9: Partnership proposal (continued)**

- ▶ **Decision-making:** What structures (e.g. board of directors, committees) are needed?
- ▶ **Management:** Structure may range from a volunteer-based organisation, to an allocation of current staff to the venture for a specified duration, to hiring a paid executive or staff.
- ▶ **Funding and financing arrangements:** Issues should be identified surrounding the sources of funding, the levels of participation and funding, and expected schedule of payment.
- ▶ **Timetable:** The expected schedule for key activities and key milestones need to be clear.
- ▶ **Partnership logistics:** Such items as meetings, translation, communications and decision-making processes must be thought through and made clear.
- ▶ **Termination of the partnership:** Issues surrounding how to end the partnership, either because the contract is planned to sunset at a certain time or because of unexpected circumstances. This will include establishing exit clauses, exit penalties and confirming how assets and materials will be disposed of, as well as establishing provisions for renegotiation if set targets are not achieved. The agreement should also discuss the eventuality of including new and different partners during multi-year plans.
- ▶ **Evaluation:** The quantitative and qualitative measures that will be used to determine whether objectives have been achieved.

Source: WTO/Canadian Tourism Commission (2003)

### Task checklist:

- ▶ Have you chosen the formality, time-frame, geographical reach and size of your cooperation as required by your purpose of cooperation?
- ▶ Have you considered the implications of choosing these characteristics for your cooperation?
- ▶ Have you checked whether your purpose of cooperation is in agreement with the type of organisational diversity that you have chosen through selecting your partner?
- ▶ Have you and your partner agreed on all the details needed for the cooperation to function?

### Further reading/links:

- ▶ For more information about creating a cooperation please see Paper I and II for strategic cooperation (available at [www.agora-tourism.net](http://www.agora-tourism.net)).
- ▶ The brochure 'Cooperation for Sustainable Destinations' by Desti Link also offers information on creating partnerships (Available at [www.destilink.net/index.php?id=112](http://www.destilink.net/index.php?id=112))
- ▶ WTO/Canadian Tourism Commission (2003): Cooperation and Partnerships in tourism: a global perspective. WTO: Madrid.
- ▶ For more information about clusters, see Paper I and II and also Nordin (2003) Tourism Clustering & Innovation – Paths to Economic Growth & Development. European Tourism Research Institute, Utredningsserien Analys och Statistik U 2003:14.

### Result of step 4:

- ▶ All necessary details of the cooperation are discussed and agreed on between the partners, so that the cooperation can start to work.

## Step 5: Manage the cooperation

In the previous step, you have defined all necessary structures and details for your cooperation; hence the basis for working in cooperation has been laid now. However, as mentioned in the previous step, a cooperation is more than the usual business case and hence, special consideration needs to be given to managing the cooperation (Kempert 2005). Therefore, the aim of this step is to ensure a smooth functioning of your cooperation.

### Observe the rules of the game

What can you do to reach this aim? First of all, every cooperation partner wants to get along well with his partner. This in turn means that every partner is also responsible for this relationship. Taking such a responsibility seriously means that you also have to take your partner seriously and that you have to show him that you do so. Observing certain issues such as sticking to agreements, being fair and reliable, keeping one's promises should help you to do so (BMW 2003).

### Build up and maintain trust

As cooperation involves at least two different 'teams' which also have their own interests, it is crucial that a cooperation is built on trust between the different teams. Partly, trust can already be built up through 'observing the rules of the game', but you should do more, e.g. through being honest, discrete and admitting if you have made a mistake (BMW 2003).

### **Communication and information are crucial**

In order to successfully manage a cooperation, you also need communication and information among partners. In this respect, you should consider the following issues (based on WTO/Canadian Tourism Commission 2003):

- ▶ Asking all involved people for input and allowing different opinions builds trust and demonstrates that everyone is respected.
- ▶ It is important that communication takes place frequently and openly and not always in a formal setting, i.e. informal communication is needed to build relationships between partners.
- ▶ You also need to be realistic about the amount of information that people are able to absorb, the trick is to produce the right amount of information.
- ▶ Important information and communication needs to be put down in writing as this allows all partners to be equally well informed about important issues.

### **Further success factors for managing a cooperation**

Further factors that you should consider in order to manage your cooperation successfully are the following ones (based on WTO/Canadian Tourism Commission 2003):

- ▶ Clearly articulated transparent goals and objectives (these should have already been included in your partnership proposal).
- ▶ Build capability through continuous learning (i.e. learn from the strengths and weaknesses of your partner and benefit from his resources where possible).

- ▶ Adequate resourcing (provide adequate manpower and finances for running the cooperation).
- ▶ Planning and risk management (be realistic about your capabilities within the cooperation and the risks that you are facing. It is also better to start off small and grow bigger with time than to 'overdo' it in the beginning).

### **Task checklist:**

- ▶ Have you considered how to build up and/or maintain trust between you and your partner?
- ▶ Have you considered how to communicate and exchange information with your partner?
- ▶ Does your cooperation have clearly stated goals and objectives?
- ▶ Is your cooperation adequately funded in terms of finances and manpower?

### **Further reading/links:**

- ▶ WTO/Canadian Tourism Commission (2003): Cooperation and Partnerships in tourism: a global perspective. WTO: Madrid.
- ▶ BMWI (Bundesministerium für Wirtschaft und Arbeit) (2003) Gemeinsam stärker - Kooperationen planen und durchführen. BMWI: Berlin (only available in German).
- ▶ The brochure 'Cooperation for Sustainable Destinations' by Desti Link also offers information on maintaining partnerships (Available at [www.destilink.net/index.php?id=112](http://www.destilink.net/index.php?id=112))

### **Result of step 5:**

- ▶ A cooperation that is working smoothly.

## Step 6: Evaluation

In order to know how your cooperation performs in relation to the aims that you have set for your cooperation, you should build up a monitoring system. In Fig. 9 (see Step 4) it was already mentioned that you should define quantitative and qualitative measures in order to determine whether your cooperation has achieved its aims. These measures need to be checked frequently to monitor your progress.

This can be done in an informal or formal way and can include quantitative as well as qualitative factors of your cooperation. If the results of your monitoring system are not satisfactory to you or your partner, you need to analyse why this is the case and what you can do to improve on these issues. However, if your monitoring indicates that you are not making any progress towards reaching your aim, then you should also consider whether it might be best to terminate the cooperation. As stated before, a cooperation that does not deliver results anymore has to be terminated.

However, cooperation does not only fail because the aims are not achieved. It may also happen that you and your partner do not get along anymore for whatever reason, this in turn probably means that the aims of cooperation will not be reached either and that you should terminate the cooperation, too. In other words, it is crucial that you check the progress of your cooperation frequently and that you are able to realise when your cooperation should be terminated.

### Task checklist:

- ▶ Have you set up a system to monitor your progress towards the aims of your cooperation?
- ▶ If your cooperation is already up and running, have you frequently checked your progress towards these aims?

### Result of step 6:

- ▶ An evaluation of the progress of your cooperation towards the aims that you have set yourself.

## Literature

BMWI (Bundesministerium für Wirtschaft und Arbeit) (2003)

Gemeinsam stärker - Kooperationen planen und durchführen. BMWI: Berlin. Available at: <http://www.go.nrw.de/neu/pdf/BMWA%20Brosch%C3%BCre%20Kooperationen%20planen%20und%20durchf%C3%BChren.pdf> [Accessed 8 December 2006].

Bramwell, B. and Lane, B. (2000) 'Collaborative and partnerships in tourism planning', in Bramwell, B. and Lane, B. (eds.): Tourism collaboration and partnerships: politics, practice and sustainability. Channel View Publications: Clevedon, pp. 1-19.

Desti Link (2006) Cooperation for Sustainable Destinations. Available at [www.destilink.net/index.php?id=112](http://www.destilink.net/index.php?id=112) [Accessed 21 February 2007].

Günther, W., Meinken, I., Winkler, K. (2006a) Sustainable tourism development in the Baltic Sea Region – Overview of existing tools and methods for strategic cooperation in tourism. Kiel, Institut für Tourismus- und Bäderforschung in Nordeuropa GmbH. (Paper I)

Günther, W., Meinken, I., Winkler, K. (2006b) Sustainable tourism development in the Baltic Sea Region – Comparative assessment of existing tools and methods for strategic cooperation in tourism. Kiel, Institut für Tourismus- und Bäderforschung in Nordeuropa GmbH. (Paper II)

Jamal, T. and Getz, D. (1995): 'Collaboration theory and community tourism planning'. Annals of Tourism Research, Vol. 22, No. 1, pp. 186-204.

Kempert, W. (2005) 'Wirtschaftliche Kooperationen kleiner und mittlerer Unternehmen – auch international?' TU International, Vol. 56, Mai 2005. Available at [http://www.tuberlin.de/foreign-relations/archiv/tui\\_56/kempert.pdf](http://www.tuberlin.de/foreign-relations/archiv/tui_56/kempert.pdf) [Accessed 8 December 2006].

Müller, H. (2005): 'Mit Kooperationen zum Erfolg'. fif Akzente, No. 38, pp. 1.

N.I.T. (1999): Raumnutzungskonzept Westmecklenburgische Ostseeküste – Projektpass C: Machbarkeitsaussagen und Umsetzungsempfehlungen zum Projekt „Strategische Allianzen im Tourismus“.

Nordin, S. (2003): Tourism Clustering & Innovation – Paths to Economic Growth & Development. European Tourism Research Institute, Utredningsserien Analys och Statistik U 2003:14.

Saretzki, A., Wilken, M., Wöhler, K. (2002): Lernende Tourismusregionen – Vernetzung als strategischer Erfolgsfaktor kleiner und mittlerer Unternehmen. Tourismus – Beiträge zu Wissenschaft und Praxis, Band 3, Universität Lüneburg.

Ullmann, S. (2000): Strategischer Wandel im Tourismus: Dynamische Netzwerke als Zukunftsperspektive. Deutsche Universitäts-Verlag: Wiesbaden.

- Vernon, J., Essex, S., Pinder, D. and Curry, K. (2005):  
'Collaborative policymaking – local sustainable projects'.  
Annals of Tourism Research, Vol. 32, No. 2, pp. 325-345.
- Wöhler, K. (2001): 'Kooperationen im Tourismus –  
Netzwerkbildung kleiner und mittlerer Unternehmen:  
Von der Konkurrenz zur Kooperation in  
Tourismusregionen'. Materialien zur angewandten  
Tourismuswissenschaft, No. 36, pp. 1-10.
- WTO (2001): Public-private-sector cooperation – enhancing  
tourism competitiveness. WTO: Madrid. WTO/Canadian  
Tourism Commission (2003): Cooperation and  
Partnerships in tourism: a global perspective. WTO:  
Madrid.

## **Agora framework**

The agora toolbox is part of the work package 2 (WP 2) which aims to provide and implement evaluated methodologies and to give strategic recommendations on sustainable tourism in the Baltic Sea Region (BSR). Consequently, the purpose of the toolbox is to deliver the corresponding methodologies. Moreover, in accordance with the overall aim of agora to develop and promote sustainable tourism in the rural areas of the BSR, the toolbox naturally needs to provide tools that allow for and lead to sustainable tourism development.

### **Sustainability has to consider three dimensions**

Sustainable tourism must simultaneously fulfil the requirements of the environmental, social and economic dimension of sustainability. Sustainable tourism planning therefore aims much broader and deeper than just environment-friendly tourism or the mitigation of negative effects. Sustainable also means economically successful, but in a long-lasting balance with the social and ecological needs of the destination.

Still, despite the many definitions of sustainable tourism, the major problem remains to make these operational for practical planning and management. For addressing the ecological dimension of tourism, tools such as certification criteria or ecotourism marking criteria may be employed, for example. The social dimension of sustainability is, among others, connected with local employment as well as impacts on or support for local cultures and lifestyles. The economic dimension refers to e.g. stability of employment over seasons, contribution to local

economy and regional gross domestic product, control or leakage from the regional economy etc.

Most tools presented in the agora toolbox are methodologies designed to facilitate and optimise tourism development in general as sustainable tourism development basically employs the same methodologies. Sustainability primarily comes into the picture as a guiding principle while using the tools. Therefore, the tool box documents also give advice, as far as possible, on how sustainability can be considered in the implementation process.

### **Selection process for selected tools**

In order to select the most appropriate and required tools and methods for developing sustainable tourism in the BSR, a determination of requirements was undertaken through the Baltic 21 Tourism Task Force (TOUTF) Network. Based on this, a pre-selection of thirteen tools was proposed to interested parties for the agora pilot projects with the request to select the most essential tools according to their perspective. This resulted in the final selection of the six tools described in the following.

## Content of the agora toolbox

- ▶ **Tools for integrating sustainable tourism development with spatial planning at local and regional level:** Public participation, environmental assessments and conflict resolutions schemes are important tools to implement sustainable tourism in spatial planning processes. Selected tools will be described and their implementation will be demonstrated in a case study. A handbook will summarise the most important findings to assist developers of sustainable tourism in the Baltic Sea Region.
- ▶ **Sustainability Check for tourism projects:** In tourism, there are many so-called sustainable projects and many external funds which depend on this requirement, but no unique standard for assessing the sustainability of these projects. Therefore, the aim of the sustainability check is to develop a testing tool for the sustainability of tourism projects which can be used for assessment during proposal, implementation and post-implementation phase.
- ▶ **Market research as a capacity planning tool in tourism:** Market research is an important area in tourism as information on the requirements of consumers and competitors' activities play a major part in any tourism development and marketing. This part of the toolbox provides an overview about different issues to consider when undertaking market research and which steps need to be undertaken in order to do so. Clearly, market research in itself is not sustainable, but the information gained from it helps to use economic, natural and social resources more effectively and therefore also in a more sustainable way.
- ▶ **Developing sustainable tourism products:** In order to successfully develop sustainable tourism in the BSR, one of the most basic prerequisites is to develop products that are in line with market requirements without threatening the social and natural resources of the destination. Due to the fact that many issues need to be considered in product development, this toolbox provides detailed advice on the necessary steps in the process and illustrates where sustainability can be integrated into tourism products.
- ▶ **Labelling sustainable tourism products:** Once a sustainable tourism product is created, the next task is to communicate the product as well as its sustainability to potential customers. Applying for a sustainable tourism label can be a means of doing so as this clearly conveys the sustainability aspect of the product. Furthermore, labels also act as quality promises to the consumers because most labels require the fulfilment of certain standards. Therefore, different label types and methodologies will be illustrated in this part of the toolbox.
- ▶ **Strategic cooperation in tourism:** This issue is increasingly gaining importance as tourism suppliers are required to cooperate with others in order to overcome challenges such as an increasing competition or changing consumer demands, for example. Furthermore, tourism with its fragmented nature and interdependent product parts simply necessitates the cooperation of tourism providers. Therefore, this part of the toolbox will deal with the topic in detail. Moreover, it will also illustrate how cooperation can contribute to sustainable tourism development through its integrative approach and through the more efficient use of resources when these are pooled together.



Apart from the first tool, each of the topics is worked on in three steps: First of all, a general overview of each topic is provided (see corresponding documents on the agora website). The second step then consists of an evaluation of the tools and methods described in the overviews regarding their suitability for the agora project. As a last step, a guideline is prepared for each topic which will help to develop sustainable tourism in the BSR. The results of step 3 will also be made available on the agora website.

The present document represents the third step and therefore the guideline for the 'Strategic cooperation in tourism' part of the agora toolbox.