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**COOPERATION BETWEEN TOURISM INDUSTRY  
AND PUBLIC AUTHORITIES  
IN DISSEMINATION OF TOURISM INFORMATION  
THE CASE OF WEST POMERANIA PROVINCE IN POLAND<sup>1</sup>**

**Introduction**

Reducing the cost of obtaining information in the market and therefore asymmetry of information may lead to the more efficient outcome of market transactions, where both demand and supply side are better off. This is also true for tourism market where appropriate delivery of tourist information service can furthermore influence tourists' length of stay, spending and tourists' behaviour. Since its delivery may have an impact on the whole tourism economy, it is often considered as a public good and public authorities are expected to finance and maintain tourist information service. Still, some cooperation in frames of information exchange is usually performed. The purpose of this study is to evaluate public private cooperation level in dissemination of tourism information in West Pomerania Province in Poland.

The paper is organized as follows: First examined will be the role of government in the tourism market. Next described are theoretical essentials of

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provision of tourism information service and issues of public private cooperation in that process. Finally discussed are the findings of the study. Limitations and conclusions constitute the last part of the paper.

## 1. The role of government in the tourism market

Correcting market failure seems to be the clearest rationale for public intervention also in the tourism market. The literature discussing public intervention in tourism market is enormous. W. Freyer<sup>2</sup> justifying public involvement in tourism indicated four groups of reasons: political, economical, environmental and social. Similar reasons are given by J. Page, C. Hall<sup>3</sup> and J. Mundt.<sup>4</sup> R. Bochert<sup>5</sup> discussing the problem of public intervention in tourism has given seven reasons: positive and negative externalities, public goods, club goods, natural monopolies and socially desired and undesired goods (which are under or over produced by the free market), although some economist would classify the last two groups of reasons to externalities.<sup>6</sup> Proponents of intense government intervention expressing their rationales would stress the balance between benefits for tourists and needs of host community. According to S. Wanhill<sup>7</sup> “the rationale for intervention lies in the complex nature of the tourist product, which makes it unlikely that private markets will satisfy a country’s tourism policy objectives to produce a balance of facilities that meet the needs of the visitor, benefit the host community and are compatible with the wishes of that same community”. Strong public intervention is usually pronounced by authors that advocate sustainable development in tourism market. D. Weaver<sup>8</sup> enumerated several market failures in areas of quality control, certification and use of scarce resources

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<sup>2</sup> W. Freyer, *Tourismus, Einführung in die Fremdenverkehrsökonomie*, Oldenburger Verlag, München 1991, pp. 273–275.

<sup>3</sup> J. Page, C. Hall, *Managing Urban Tourism*, Prentice Hall, London 2002, p. 100.

<sup>4</sup> J. Mundt, *Einführung in den Tourismus*, Oldenburger Verlag, München 2001, p. 427.

<sup>5</sup> R. Bochert, *Expansive Strategien im touristischen Incoming*, in: *Internationales Tourismus-Management, Herausforderungen, Strategien, Instrumente*, ed. W. Pompl, M. Lieb, Verlag Vahlen, München 2003, p. 242.

<sup>6</sup> Comp. M. Parkin, *Microeconomics*, 8th edition, Pearson 2009.

<sup>7</sup> S. Wanhill, *Government assistance for Tourism SMEs, From Theory to Practice*, in: *Small Firm in Tourism, International Perspectives*, ed. R. Thomas, Elsevier 2004, p. 53.

<sup>8</sup> D. Weaver, *Sustainable tourism*, Elsevier 2006, pp. 110–174.

of tourism attraction and space. Another approach to justifying public intervention in the tourism market is to put all elements of total tourism product (tourism product of an area) to the traditional microeconomic matrix of consumption rivalry and excludability. The more 'private' a good is, the more public intervention is warranted (figure 1).

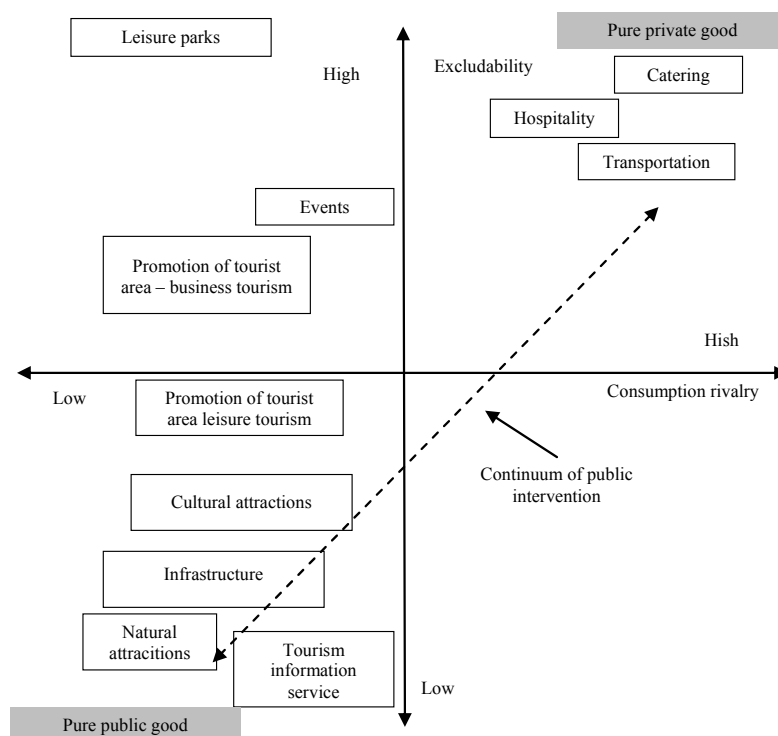


Fig. 1. Elements of total tourism product on the matrix of consumption rivalry and excludability

Source: A. Pawlicz, *Dobra publiczne i dobra klubowe na rynku turystycznym w aspekcie zrównoważonego rozwoju*, in: *Zrównoważony rozwój turystyki*, ed. S. Wodejko, Szkoła Główna Handlowa, Warszawa 2008, pp. 95–106.

R. Coase<sup>9</sup> in his famous article that awarded him a Nobel Prize wrote that “All solutions have costs and there is no reason to suppose that government regulation is called for simply because the problem is not well handled by the market or the firm”. His view, however, did not seem to influence much of tourism research, where supporters of public solutions have a clear majority. C. O’Fallon<sup>10</sup> already in 1993 pronounced that in the tourism literature the need for public involvement is never questioned and acknowledge some debate about “public-private mix for the tourism sector”. Contemporary they are still very few studies questioning public involvement in tourism especially in area of tourism attractions. One of few examples is R. Turner’s<sup>11</sup> article which discussed the rationale for government provision of national parks in the United States. According to his paper, there are very few studies justifying public provision of national parks and no studies are conducted about spillover effects of visitation, the cost of provision of the parks and opportunity cost of using the land. Horner and Swarbrooke<sup>12</sup> enumerated several arguments against public support to tourism sector which include: public financed infrastructure benefits only a private sector in tourism, ignorance of opportunity costs and other development possibilities, reinforcement of the divisions between rich and poor, decision-makers’ corruption, overoptimism and naïveté about potential benefits of tourism.

## 2. Cooperation between public and private actors in the tourism market

According to R. March and I. Wilkinson<sup>13</sup> “an individual firm’s performance depends on more than what it does; it depends on the behaviour of others that it is connected to directly and indirectly. This is no more obvious than in

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<sup>9</sup> R. Coase, *The Problem of Social Cost*, “Journal of Law and Economics” 1960, No. 3, pp. 1–23.

<sup>10</sup> C. O’Fallon, *Government Involvement in New Zealand Tourism: A Public Choice Perspective*, “GeoJournal” 1993, Vol. 29, pp. 271–280.

<sup>11</sup> R. Turner, *Market Failures and the Rationale for National Parks*, “Journal of Economic Education” 2002, Vol. 33, No. 4, pp. 347–356.

<sup>12</sup> S. Horner, J. Swarbrooke, *International Cases in Tourism Management*, Elsevier 2005, pp. 16–22.

<sup>13</sup> R. March, I. Wilkinson, *Conceptual tools for evaluating tourism partnerships*, “Tourism Management” 2009, No. 30, pp. 455–462.

the case of tourist destination that comprises many types of firms and other organizations contributing to the experience of tourists and to the general economic success of the region". Hence, tourism companies tend to cooperate with firms from tourism branch,<sup>14</sup> other enterprises and public authorities. Usually cooperation occurs in the value chain<sup>15</sup> and in places where collective action is needed, especially in promotion of tourism destinations.<sup>16</sup> Cooperation, which importance is often underestimated occurs in creating intangible parts of total tourism product such local atmosphere and tourist friendly ambiance.<sup>17</sup> Typical problems of public private cooperation process include: lack of mutual trust and understanding, low level of private involvement, myopic perspective of tourism enterprises in evaluating potential costs and benefits of tourism projects and, finally, private and political misunderstandings.

Providing tourism information is often regarded as a part of tourism promotion. However, in the literature, providing tourism information service is considered to be a public responsibility together with interpretation of cultural sites and an upkeep of infrastructure.<sup>18</sup>

### 3. Provision of tourism information service

D. Buhalis underlining the importance of information technology in tourism industry states "Unlike durable goods, intangible and variable tourism services cannot be physically displayed or inspected at the point of sale before purchasing, as tourism services are normally bought before the time of their use and away from the place of consumption. Tourism products are therefore almost

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<sup>14</sup> Interesting form of alliances between tourism industry and credit card issuing banks is presented in: H. Chen, C. Tseng, *The performance of marketing alliances between tourism industry and credit card issuing banks in Taiwan*, "Tourism Management" 2005, Vol. 26, pp. 15–24.

<sup>15</sup> See for example: B. Šavriņa, D. Grundey, K. Bērziņa, *Cooperation – The Form of Sustainable Tourism Industry in Latvia*, "Baltic Journal of Sustainability" 2008, No. 14 (2).

<sup>16</sup> See: A. Pawlicz, *Destination Promotion as an Example of Cooperation Between Private and Public Sector. Medium Baltic Cities Case*, "Scientific Journal Service Management" 2007, Vol. 1, pp. 257–266; A. Pawlicz, *Promotion of Cultural City Destinations as an Externality. Solutions in Selected Baltic Cities*, in: International Tourism Conference 2008, "Cultural and Event Tourism: Issues & Debates", Alanya, Turkey, pp. 762–777.

<sup>17</sup> Y. Grangsjö, *Destination networking. Co-opetition in peritherial surroundings*, "International Journal of Physical Distribution & Logistics Management" 2003, Vol. 33, pp. 427–448.

<sup>18</sup> R. March, I. Wilkinson, *op.cit.*

exclusively dependent upon representation and descriptions”.<sup>19</sup> The tourist’s demand for information concerning tourism product prevails in the time before the journey begins or even before a decision to go for a holiday or business trip is made. However, tourists, especially those who are unfamiliar with a destination, will seek information also in the destination. At that stage tourists will rely on tourist information centres, signage, printed material and information from local tourism industry and citizens in a destination. Automatization of providing information to actual tourists is difficult to achieve, because of limited possible usage of internet during the trip. Moreover according to survey conducted by University of Heidelberg<sup>20</sup> many tourists are reserved against IT (information technology) assistance for their trip, because of “the lack of right IT systems available. PDAs (palmtops) are not powerful enough, laptops not practical, networking is too slow, the systems do not know where they are and there are just not the services available that could compete with the information in a book”.

Tourists information centres (TICs), called sometimes “Welcome Centers” or “Visitors Centre” according to Encyclopedia of Tourism<sup>21</sup> “provide information and reservations for destinations and tourism enterprises. Run by local, regional or national organizations, they aim to facilitate the visit for consumers and to assist organizations to implement their policies, by increasing tourists’ length of stay and expenditure or by discouraging them from visiting environmentally sensitive areas”. This definition presents a TIC as an institution not only financed but also organized by an undefined tourism organization. Hence, TICs are just one channel through which necessary information reaches tourists. Services provided by TICs usually consists of: the distribution of informative material, gathering, storing and providing up to date visitor information. Sometimes TICs may act as an intermediary for local tourism enterprises (especially with hospitality industry) and sell souvenirs, postcards etc. TIC’s service is provided for free, is expected to be neutral and, most importantly, its existence creates eminent externalities. Externalities may be expressed as an additional expenditure and an extra length of stay of tourists resulting from a visit

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<sup>19</sup> D. Buhalis, *E-Tourism*, Prentice Hall 2003, p. 76.

<sup>20</sup> R. Malaka, A. Zipf, *Challenging IT research in the framework of a tourist information system* available in Internet at: [http://interaction.zhdk.ch/projects/mobility2018/wp-content/uploads/2006/11/challenging\\_it\\_research.pdf](http://interaction.zhdk.ch/projects/mobility2018/wp-content/uploads/2006/11/challenging_it_research.pdf) DoA, 20.08.2009.

<sup>21</sup> *Encyclopedia of Tourism*, ed. J. Jafari, Routledge 2000, p. 307.

in a TIC. Hence, tourism information seem to have a certain features of public good and for that reason it is usually supported with public money.

TICs are founded by municipalities or local tourism organizations quite independently from each other. Even if National Tourism Organization develops a framework aiming at standardization of its service and signage it can hardly force local TICs to adopt its rules.<sup>22</sup>

Alas, studies exploring a relationship between tourism spending and an existence of a TIC in a destination are scarce. According to P. Tierney reporting on 1987 study in Colorado, USA “stopping at the TIC resulted in a 2.2 day average increase in length of stay and an estimated \$ 1,026,000 additional spending”.<sup>23</sup>

Extremely important function performed by a TIC is the possibility to influence tourists behaviour, *i.e.* even if a tourist after visiting a TIC will not spend more or stay longer in a destination, he might temporarily or spatially alter his spending pattern. This may lead to an enhancement of both his travel experience and sustainable development in a destination. Since efficiency of a TIC is very difficult to measure in terms of additional spending or desirable change of tourism behaviour, their performance is usually computed as a simple number of inquiries from tourists. TICs can serve also as a place where a tourism research takes place so efficiency measurement can be a part of that process.

#### 4. Tourism information service in West Pomerania Province

The purposes of this study are to assess the cooperation level and potential problems of cooperation between private and public actors in delivering tourism information services in West Pomerania Province (WPP). Data were obtained from surveys conducted with 30 representatives of local communes<sup>24</sup> (out of 114 in WPP) and 119 representatives of tourism enterprises in those communes. Research has been conducted in May 2009. Respondents evaluated different

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<sup>22</sup> See: T. Karlíková, *Tourist information centre as a relevant assistant for regional development in area*, 2nd Central European Conference in Regional Science – CERS 2007, pp. 398–403.

<sup>23</sup> P. Tierney, *The Influence of State Traveler Information Centers on Tourist Length of Stay and Expenditures*, “Journal of Travel Research” 1993, Vol. 31, No. 3, pp. 28–32.

<sup>24</sup> Polish-gmina.

aspects of tourism information service, both digital and actual, in their communes.

TICs (tourism information centres) have been founded in 27 (out of 30) surveyed communes. Not surprisingly TICs were financed primarily by local authorities *i.e.* from the budget of a commune. Figure 2 shows the percentage of communes contribution to TICs budget.

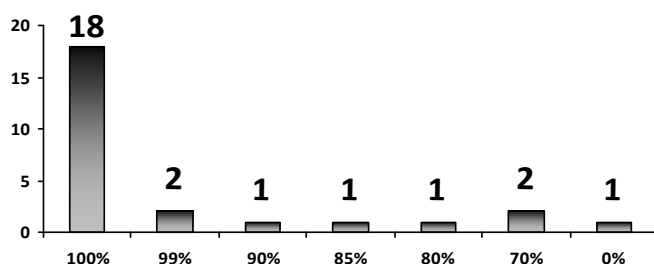


Fig. 2. Number of communes benefiting a given share of budget from communes contribution (n = 26)

Source: own research.

In most of surveyed (77%) communes a TIC is almost entirely (99%) or entirely financed from communes sources and an average value is 92%. Just in one case a TIC is financed by an independent branch organization. One respondent refused to answer this question.

It is to underline, however, that a commune still is, according to the study results, the most often chosen cooperation partner among tourism enterprises (57%). Figure 3 shows a number of companies that share product information with communes, counties, tourism organizations and other tourism enterprises.

It is to note that a substantial difference had been observed between micro enterprises and small enterprises (which account for 68% and 26% of all surveyed firms respectively). Among microfirms just 48% declared cooperation with a commune, while same ratio for small companies was 71% (a medium value is  $68/119 = 57\%$ ).



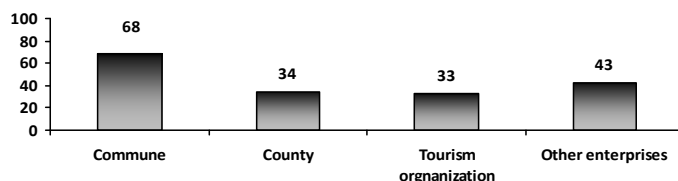


Fig. 3. A number of companies that exchanging product information with different partners (n = 119)

Source: own research.

Communities with an operating TIC, on the other hand, seem to be open to act as an intermediary. Almost all of them declare cooperation with accommodation establishments and more than a half with other tourism enterprises. Details are presented on the figure 4.

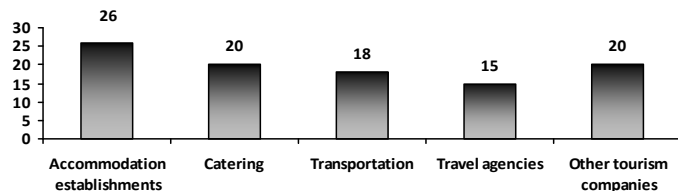


Fig. 4. Declared cooperation with different types of tourism enterprises by communes with operating TIC (n = 27)

Source: own research.

Although communes are ready to cooperate with tourism branch, investigated commune representatives didn't appreciate industry's contribution to the development of tourism information system in the community. Slightly more commitment, in the opinion of representatives of local authorities, to improvement of tourism information in the region have tourism organization. Local authorities, i.e. respondents themselves contribute mostly to the system (fig. 5).

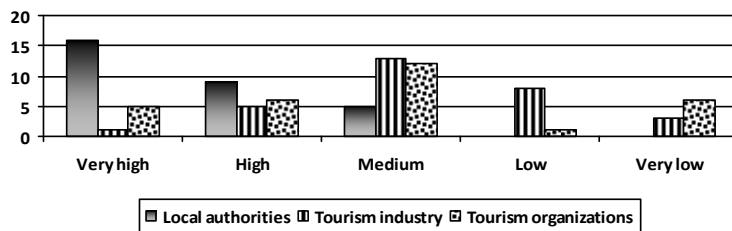


Fig. 5. Commitment of local authorities, tourism industry and tourism organizations to the development of tourism information system in the opinion of community representatives (n = 30)

Source: own research.

Improving cooperation between public and private actors in the tourism market is certainly a complicated process. Local authorities should create or include in the existing strategy which areas it pursues a cooperation and in which cooperation is not needed to fulfil its mission. Than some goals must be set and a structure of incentives created.

## 5. Limitations and conclusions

A cooperation between tourism branch and communes in West Pomeranian Province seem to be weak. However, a similar study in other regions would provide more insights to assess the level of cooperation in the province.

Tourism enterprises do not see a relationship between tourism information in a commune and their financial success. A shift to at least partial privatisation of TIC is therefore extremely unlikely. Moreover, some social and public financed campaigns that proliferate the knowledge about TIC role and benefits for local tourism industry may be necessary to conduct, in order to enlarge private involvement in TIC. It seems that mistrust is the biggest culprit of weak cooperation.

A study has been conducted only in communes endowed with natural tourism attractions where a level of cooperation tends to be high. The results must, thus, be only carefully generalized.

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**WSPÓŁPRACA PUBLICZNO-PRYWATNA  
W ZAKRESIE ŚWIADCZENIA INFORMACJI TURYSTYCZNEJ  
NA PRZYKŁADZIE WOJEWÓDZTWA ZACHODNIOPOMORSKIEGO**

**Streszczenie**

Redukcja asymetrii informacji na rynku turystycznym może się przyczynić do bardziej efektywnego procesu wymiany, którego beneficjentami będą zarówno potencjalni turyści, jak i branża turystyczna. Budowa i utrzymanie centrów informacji turystycznej w literaturze uznawane jest za zadanie administracji publicznej. W artykule przedstawione zostały argumenty przemawiające zarówno za, jak i przeciw publicznemu finansowaniu informacji turystycznej. Rozważania teoretyczne opatrzone zostały wynikami badań empirycznych przeprowadzonych w roku 2009 w województwie zachodniopomorskim.