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The engagement of local residents in Destination Management Organizations

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> Ambiguity of words is an invariable feature of ambiguity in thoughts.
> (Leo Tolstoy)

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ABSTRACT

Local residents are often considered as destination stakeholders and their role assumed to be important in the destination development. However, when it is coming to their direct engagement in Destination Management Organizations (DMO) strategic planning, the question of their actual engagement on practice arises.

This research discusses stakeholder theory and its application to the tourism industry, particularly to DMOs' activities. The purposes and processes of local residents' engagement in DMOs' activities as one of their stakeholder group are in focus.

The empirical part deals with the performance of DMOs in the Swedish province of Scania. The in-depth interviews with DMOs' representatives are conducted in order to investigate their attitudes towards the significance of local residents as their stakeholders. The forms of practical engagement of local residents are considered and the level of their involvement is discussed. Despite the evidence that DMOs' representatives recognize the importance of local residents as their destination stakeholders, they tend to not favor the deep engagement with them. Local residents' engagement tends to be "informative" in style. However, there were some DMOs which execute more sophisticated forms of engagement such as "consultative".

Through data obtained from personal interviews with Scanian local residents the research reveals what affects local residents' perceptions of DMOs' performance. Quite low degree of awareness about tourism organizations was found. Yet, local residents acknowledge DMOs as legitimate organizations and quite satisfied with their level of participation in destination strategic planning.

The investigation of both perspectives – DMOs' and local residents' facilitates understanding of how the relationships of these two groups are built up. The recommendations for DMO are provided in the concluding discussion.

Key words: DMOs, stakeholder theory, legitimacy, local residents, level of participation

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1. INTRODUCTION

Many destinations compete for visitors. In the last two decades, tourism as an industry has developed from both the demand and the supply perspectives and the issue of destination management was brought into consideration (Manente & Minghetti, 2006). Special organizations were created by authorities and private businesses which are called Destination Management Organizations (DMOs), whose aim is to attract visitors to the area and thus to increase the profits which the tourism sector brings. The importance of DMOs is strengthening as they play a pivotal role in increasing and managing benefits of tourism development (Ritchie & Crouch, 2003; Pike, 2004).

As outlined in Getz & Seldjan (2005: p.231), the main function of DMOs is to coordinate the destination stakeholders and to integrate their interests into the decision making and the strategic planning processes (see also Koscak & O'Rourke, 2009; Ritchie & Crouch, 2003; Sautter & Leisen, 1999: p.313). Stakeholder theory in this case is applied as planning model for DMOs' activities (Bornhorst et al., 2010; Sheehan & Ritchie, 2005; Sautter & Leisen, 1999).

The communication between DMOs and their stakeholders, thus, creation of supportive and interactive relationship between them, could ensure the sustainable development of the destination and the benefit to all stakeholders (Bornhorst et al., 2010; Buhalis, 2000: p.113). In earlier research it is emphasized that the role of local residents in a destination's competitiveness is very important (Getz & Seldjan, 2005; Koscak & O'Rourke, 2009; Ritchie & Crouch, 2003). If the tourism industry and particularly DMOs as its representative considers local residents as a hinder to overcome, the mistrust and opposition can easily appear which can constrain the destination's development in the long run.

In the academic literature it is noted that stakeholder approach can be used to reach the sustainable development of destination in case interests of all stakeholders are considered (Bornhorst, 2010; Getz & Seldjan, 2005: p.231; Koscak & O'Rourke, 2009). Local businesses, governmental structures, tourists, local residents are often addressed as stakeholders groups in numerous studies (Buhalis, 2000: p.99; Sheehan & Ritchie, 2005: p.728). However, studies do not provide the information about the forms of local residents' practical engagement (Garrod et al., 2012: p.1159). Therefore, the focus of this paper is on the theoretical understanding of DMOs' practices concerning the local residents' involvement.

Due to the absence appearing in the academic field regarding the local residents' involvement in the DMOs activities, the question whether their engagement happens on practice arises. For this reason, the role of local residents in terms of their legitimacy and significance for DMOs' strategic planning from the DMOs' perspective will be as a first objective of this research.

The foregoing discussion has offered a variety of ways in which local residents' interests can be significant for the decision-making and strategic planning of DMOs. Empirical analysis further demonstrates that DMOs' representatives recognize local residents' significance and this can be the first step to include them in creation of strategic planning. Specific strategies for local residents' engagement can be named: creation of special events for locals; open days; "friends", "ambassadorship" schemes; consultative practices; communication through means of media and the Internet.

In the academic literature DMOs' view on their stakeholders usually prevails. Sheehan & Ritchie (2005: p.730) argues that it is valuable and complementary to investigate the views which stakeholders possess on DMOs. Therefore, it was considered to be crucial to explore not just DMOs' perspective, but to include also local residents as destination stakeholders into the investigation. Usually specialized academic research concerns general attitudes of local residents towards tourism development (Gursoy & Rutherford, 2004; Vargas-Sanchez et al., 2011); however their perceptions towards responsible actors like DMOs are missing. So, it is significant to find out how local residents perceive DMO as an organization, if they recognize themselves as DMOs' stakeholders and how they estimate their level of involvement.

For this reason, it is essential to consider both perspectives – managerial perspective which municipalities' representatives (MRs) of DMOs represent and local residents as stakeholders of a destination. The present research is executed in order to fill in the gap into both practical and theoretical knowledge concerning the collaboration of DMOs' with local residents as its stakeholders.

This research issue possesses the societal importance. Tourism industry as a powerful economic force plays an important role in the development of destinations nowadays. It affects all spheres of life. Local residents of the area could be directly influenced for example by incoming tourists through the personal contact or possibly through the business they own. Destination Management Organizations which are directly responsible for the tourism development have a moral responsibility to act in a fair way towards their stakeholders including local residents.

1.1 Aim and research question

This research attempts first of all to examine how local residents are considered to be legitimate or significant stakeholders of the destination by DMOs. Secondly, the level of local residents' participation which they identify themselves in DMOs decision-making processes and strategic planning is aimed to be explored. The investigation attempts to establish knowledge on the practical collaboration between DMOs and local residents and on how these two groups cooperate with each other in the particular context.

Ritchie & Crouch (2003) emphasize the importance of local tourism development because it is exactly the level where the interests of local residents can be closely addressed on practice. The local residents of the destination will be most immediately affected in case of some kind of change. For this reason, the particular province of Scania in Sweden was chosen in order to implement the research. The Swedish province of Scania provides a favorable environment and necessary resources for the collection of empirical data.

Thus, DMOs in Scania and Scanian local residents become *the objects* of the research. It was reckoned expedient to describe the overall setting of the research in order to support the advisability of choice of these particular subject and object of the investigation. It is done further in the introduction in part 1.2.

The *aim* of the research is to explore the relationships and collaboration of DMOs and local residents as their stakeholders. Scanian municipal DMOs' practices of local residents' engagement and Scanian local residents' perceptions of DMOs are in focus and become *subject* of the research.

So, the research question was formulated:

How are the Scanian local residents as destination stakeholders engaged into DMOs' strategic planning?

In order to facilitate answering the research question the following sub questions were defined:

- How is the work of Scanian DMOs on its strategic planning organized?
- How are different stakeholders and particularly local residents included into DMOs' strategic planning?
- What is local residents' perception of Scanian DMOs?

1.2 Research setting: Tourism industry in Sweden and municipal DMOs

Sweden is positioned at the 5th place out of 140 countries in the Travel and Tourism Competitiveness Report by World Economic Forum (WEF, 2011). Tourism total turnover in Sweden is increasing approximately by 2-3 percents annually and in 2010 it was 255 billion Swedish crowns (Tillväxtverket, 2010). As industry, tourism generated the equivalent of 162 000 annual full-time jobs in 2010. Overnight stays in Sweden constitutes 55 millions per year; leisure traveler accounted for nearly 50 percent, Swedish business travelers for approximately 17 percent and travelers from abroad over 34 percent (Tillväxtverket, 2010).

In the particular province of Scania there are 5 millions overnight stays, 80 % of which is domestic tourism (Tillväxtverket, 2010). Skåne (Scania) is second strongest brand in Sweden according to the Product and Destination development report (Tourism in Scania, 2010).

Sweden has implemented the National Strategy for the Tourism and Hospitality industries, which aimed on doubling the increasing incoming tourism to Sweden and supports the idea of sustainable development till 2020 (National Strategy, 2012). The strategy has different audiences, among which are tourism industry organizations, Destination Management Organizations and individual businesses within the state.

Tourism as an industry is rather developed in Sweden and in the province of Scania particularly (WEF, 2011; Tourism in Scania, 2010). Having such an amount of visitors coming annually, the industry needs certainly to have a proper Destination Management Organizations and some type of structured governing in order to implement a strategic planning for the further development.

Ritchie & Crouch (2003) and Pike (2004) state that many national destinations have established national tourist offices. VisitSweden plays a role of National tourism board in Sweden; it is the umbrella tourism organization, which officially represents the brand of Sweden on international markets and promotes Swedish destinations and experiences internationally (VisitSweden, 2012). Half of VisitSweden is owned by the Swedish state and another half is owned by the Swedish tourism industry. This is the biggest umbrella organization in the country, which is mainly engaged with international marketing.

At the regional level there exist different kinds of local tourism organizations (Pike, 2004; Ritchie & Crouch, 2003). Each province and many municipalities in Sweden have its own DMO, which is working both with international and domestic tourism, coordinating its activities both with VisitSweden and with smaller subordinate municipal agencies. In Scania the role of regional umbrella organization performs Tourism i Skåne (Tourism in Scania, 2012), as a part of Region Skåne (Tourism in Scania, 2012). Tourism in Skåne markets the region of Scania both internationally and for the domestic tourism.

There are 33 municipalities in the province of Scania. Large municipalities such as Malmö Stad, Helsingborg, Lund and Landskrona, which are chosen for the research, have their own tourism development departments. They work in an active collaboration with area's business development to attract visitors and investors to the region, to create new kinds of activities and to promote the particular destinations. According to their different goals, municipalities function individually, associate into the alliances, and collaborate with Turism in Skåne and governmental structures in order to implement the strategic planning. Thus, for example, Helsingborg Business Region works as an umbrella organization for ten municipalities in the north-west of Scania and its goal is to strengthen the business processes in the region in order to make the area stronger as a destination. The cooperation between the different levels of DMO is evident; however, if the real objective of DMOs is to advance the overall interests of

the area, residents and industry it represents, greater cooperation would appear to be called for.

In Swedish legislative system there is the principle of self-rule concerning municipalities' governing issues. It implies that local issues should be decided on the local level (Swedish Municipalities, 2012). Therefore, there are certain frames within which the local authorities are free to decide how they want to carry out the tourism development. Often, the development of tourism industry goes together with the development of local businesses department, especially within smaller municipalities. It is not compulsory to run a tourist office, even though most Swedish municipalities host one (Swedish Municipalities, 2012). In bigger municipalities tourism offices are considered as a part of the municipal administration and tourism development department.

As majority of destinations, municipalities in Scania also involve different kinds of stakeholders such as local businesses, tour operators, transportation organizations, attractions, accommodations, restaurants, public sector and governmental structures. As it appears in academic literature, collaboration among all destination stakeholders is fundamental for the sustainable development (Getz & Seldjan, 2005; Hall, 2011; Ritchie & Crouch, 2003). This has been already reflected in the plan concerning the development of Sweden as the most sustainable destination by 2020 (National Strategy, 2012). The same idea is mentioned on the on sites of Turism i Skåne (Tourism in Scania, 2012) and Helsingborg Business Region (Helsingborg Business Region, 2012). Role of local residents as destination stakeholders is emphasized on the websites, meaning the collaboration with them as a part of the strategy.

So, for this reason, the focus of this paper is on practical engagement of local residents' in DMOs' strategic planning. Municipal representatives (MRs) of several municipalities in Scania were interviewed in order to find out how practices are carried out on the local level of one particular province in Sweden.

The study focuses on DMOs' activities in the province of Scania. It considers work of DMO on strategic planning in frames of this particular area. It does not take into account work of DMOs on the national level. However, the study involves discussion about collaboration with other stakeholders, when levels of significance of different kinds of collaborations are assigned.

1.3 Disposition

The first chapter of this paper contains the introduction to the research. Gaps in the academic research are indicated due to which the topic was chosen for the investigation. The aim and research question are introduced, followed by the description of the research context.

The second chapter explores the academic literature which provides the theoretical framework for the research. DMOs are defined as types of organizations, the stakeholder theory is investigated in a context of tourism research and DMO's activities, the legitimacy and the level of participation of different stakeholders in DMOs' strategic development planning is considered. Local residents are specified as DMOs' stakeholders and forming of their attitudes towards tourism is considered. The concepts that are be used in the following research are defined.

The third chapter presents the choice of method used in this research. Methodological applications are introduced. Practical information about implementation of the chosen method is provided. Limitations of the method are discussed at the end of chapter.

The forth chapter provides an analysis of the collected material. The personal interviews with MRs and local residents are descriptively analyzed in order to approach the research question. Obtained data is examined in relationship to previously discussed theoretical framework.

In the end, theoretical and empirical findings are summarized in a concluding discussion. The limitations of the whole research are mentioned. Prospective for further research are indicated.

2. THEORETICAL FRAMEWORK

This part aims to provide the conceptual framework of definitions and theories related to the research. At first, the literature about the Destination Management Organizations (DMO) and their functions is explored; secondly the stakeholder theory is discussed and considered in the context of DMO activities; thirdly the questions considering the legitimacy of local residents as organization's stakeholders are traced; fourthly, their possible levels of participation in the organizations' activities are investigated according to suitable scales; and at last, computations from the theory of social exchange are studied in order to be applied to local residents' perceptions.

While introducing this framework, critical reflections on the mentioned concepts are provided in order to reveal their interconnections, for example the role of stakeholders' approach in DMOs' decision-making. It is the aim to disclose the implications of the concepts, which are relevant to research question and research objectives.

2.1 Destination Management Organizations

Tourism is a powerful economic force which plays an important role in the development of communities and global markets. To manage the tourism development of destinations, Destination Marketing Organizations (DMO) were created. These kinds of organizations take the overall responsibility for promoting tourism and attracting visitors to a place (Pearce, 1992; Wang, 2008).

Destination Management Organization (DMO) – is "any organization, at any level, which is responsible for the marketing and strategic planning of an identifiable destination" (Pike, 2004: p.14). This therefore excludes separate government departments which are responsible for planning and policy (Buhalis, 2000: p.99; Pike, 2004; Wang, 2008).

Lately, the abbreviation DMO stands for Destination Management Organization instead of Destination Marketing Organization, which implies the extension of their responsibilities and the implementation of a wider range of activities (Getz & Seldjan, 2005; Ritchie & Crouch, 2003). Many scholars nowadays argue that their role is much broader than just promotion (Getz & Seldjan, 2005: p.231; Ritchie & Crouch, 2003). It involves an expanded perspective over the tourism development in general which includes an interest in economic, sociocultural and environmental impacts. Sheehan & Ritchie (2005) argue that in addition to fulfilling the role of destination marketing, DMO are also managing the coordination of local suppliers as well as outside buyers (for example - meeting planners, tour companies, individual tourists), and often are becoming policy advocates recognized as the voice of the tourism industry in their communities. Therefore, according to its broaden functions, DMO is referred to as Destination Management Organization in this paper.

The DMO, however, is not the only player involved in the broad task of destination management. All entities of the competitive environment have a potential role in this task. For example, local businesses, governmental authorities, transportation, the environment, economic alliances, etc. have an interest and responsibility in this area. Numerous publics including local residents should also be considered to express views on the matter of how a destination is developed and managed over the long term (Ritchie & Crouch, 2003).

At a regional level there are different kinds of local tourism organizations. Thus, for example, Pike (2004) defines the Regional Tourism Organization (RTO) as "the organization responsible for marketing a concentrated tourism area as a tourism destination". However, they can be called differently: CVB – convention and visitors bureaus, RTB – regional tourist boards or ATB – area tourism boards. Still, the aim is the same – to market the destination in a way that the most number of visitors will be attracted. Exactly this level of local DMOs is in focus further in the research in embodiment of Swedish municipal destination development departments.

There is hardly any source that could say exactly what kind of actions DMOs should be involved in and activities they should implement. However, the general range of trends and their aims as organizations are certainly reflected in academic literature. Among recognized goals of DMOs can be found – marketing and promoting the tourism products of the entire destination to meet and pleasure travel groups as well as independent travelers; developing the image and brand of the destination; maximizing industry profitability; managing of destination in order to balance all stakeholders' interests; acting in a manner that is adding legitimacy to the industry; promoting tourism in the local community; optimizing tourism impacts on the area; ensuring the long term funding and enhancing the long term prosperity of local people (Buhalis, 2000; Pearce, 1992; Pike, 2004; Ritchie & Crouch, 2003; Wang, 2008).

Pike (2004) emphasizes that it can be a particularly challenging task to complete the goals of the DMO once organization is relatively small in size and does not possess a large budget. Since DMO usually does not hold resources to carry out desired marketing activities its role become more originative, namely in mobilizing resources (Gretzel et al., 2006). Ritchie & Crouch (2003) argue that the DMO assignment can be also seen in shaping the mode of operation of the destination as a whole, equilibrating competition and cooperation within the destination. It is coherent to cooperate and integrate management activities such as market research, strategic planning, products creation, distribution and promotion within the region (Elbe et al., 2009: p.284). All these assignments can be called facilitative strategy and directed on the creating the conditions for stakeholders' cooperation and integration (Sheehan et al., 2007).

Ritchie & Crouch (2003) emphasize that DMO plays a particularly critical and vital role in efforts to ensure that the expectations of stakeholders (both internal and external) are satisfied to the greatest possible extent. It can be seen as a part of an official task for DMO on the first

place and can also be the way to strengthen position in order to become a legitimate body, which will be discussed later in the chapter (Elbe et al., 2009).

There are quite a number of studies, which investigate the methods of the most efficient management of DMOs (Buhalis, 2000: p.113; Getz & Seldjan, 2005; Grängsjö, 2003; Hall, 2011; Jamal & Getz, 1995; Keogh, 1990; Pike, 2004; Ritchie & Crouch, 2003; Sautter & Leisen, 1999; Sheehan & Ritchie, 2005; Wang, 2008). Ultimately, the main goal comes down to enhancing the destination competitiveness in a long run (Getz & Seldjan, 2005; Koscak & O'Rourke, 2009; Ritchie & Crouch, 2003). Therefore, sustainable development of the destination is recognized as a key concept by many scholars nowadays (Hall, 2011; Pike, 2004; Richins, 2009; Ritchie & Crouch, 2003; Wray, 2012). The balance of three dimensions – social, economic and environmental represents the sustainable development of the region. It is vital to equilibrate economic profits with social issues and environmental concern within the region. The stakeholder approach was chosen to be discussed in this paper. It implies understanding of the common goals and benefits of different stakeholders in the destination development.

The stakeholder approach as a management concept includes understanding of cooperation and integration forms, which find reflection in the stakeholder theory. Stakeholder theory is referred to as "stakeholder management" as means by which the integration can be achieved (Freeman, 2010; Garrod et al., 2012; Fyall & Garrod, 2005; Wray, 2010, 2012). Further in this paper the stakeholder theory is considered in general and as an application to tourism industry management.

2.2 Stakeholder theory

The stakeholder theory is widely discussed in business and managerial literature (Aas et al., 2005; Donaldson & Preston, 2005; Freeman 1984, 2010; Pearce, 1992; Pike, 2004; Sautter & Leisen, 1999; Sheehan & Ritchie, 2005; Sheehan et al., 2007). Pioneered by Freeman (1984), it suggests that an organization is characterized by its relationships with various groups and individuals, including employees, customers, suppliers, governments, and members of the communities. The stakeholder approach relies on premise that the organization has an array of stakeholders and in application to sustainable destination development it implies that the interests of different stakeholders have to be considered (Sheehan & Ritchie, 2005).

According to Freeman (1984: p.46) a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization objectives". The main principle in this approach is the collaboration between actors in order to balance every stakeholder interest. The complexity of such kind of interaction is high and the decision making processes require enhanced mechanisms for stakeholder participation, coordination and commitment (Getz & Seldjan, 2005; Koscak & O'Rourke, 2009; Ritchie & Crouch, 2003).

Freeman (2010: p.53) argues that an organization that manages effectively its stakeholders has to adopt and to give definition to three vital points:

- the identification of their stakeholders and the recognition of the stakes they possess;
- the processes of managing the relationship with stakeholders;
- the order of arrangements or bargains between the two parties (stakeholder - organization).

These three points will be elaborated further in the research and applied to particular context of tourism industry, to DMOs' activities and to local residents as its stakeholders.

2.2.1. Stakeholder theory in tourism

As outlined by Sheehan & Ritchie (2005: p.728), the following groups can be identified as DMOs' stakeholders: local businesses, government/regulators, residents, tourists, activist groups, educational institutions, competitors, business chains and associations (see also Buhalis, 2000: p.99; Freeman, 2010; Sautter & Leisen, 1999: p.313). It is also essential to remember that there exists the possibility of belonging to multiple stakeholder groups (Sautter & Leisen, 1999; Sheehan & Ritchie, 2005), for example, when local residents are employed by the local businesses or working for volunteering organization.

The "destination" as a unit of study in tourism, includes all interactions occurring among a variety of stakeholders – the tourists (demand), the industry (suppliers), and the hosts (including residents and environment) – collection of both professional and personal interests of all the people who live and work in the area (Buhalis, 2000; Sigala & Marinidis, 2010). Thus, considering the tourism destination from the stakeholder perspective, it can be seen as "an open system of numerous and varied stakeholders which are interdependent on each other" (Sigala & Marinidis, 2010: p.237). All stakeholders are considered to be interconnected because they share limited community resources; however depending on multiplicity context it is logical that they often hold diverse and divergent views, interests and values (Wang, 2008b). It creates a turbulent environment that makes destination management a complex and uncertain process (Sigala & Marinidis, 2010: p.237). Therefore, the strategic approaches to manage stakeholders' interests have to be found and implemented by DMO.

Jamal & Getz (1995) and Sautter & Leisen (1999: p.315) promote the stakeholder theory as a tourism planning model which can be mainly used to promote the collaboration among key players in the planning process. Stakeholder collaboration is "a process of joint decision-making among autonomous, key stakeholders of an interorganizational, community tourism domain to resolve planning problems of the domain and/or to manage issues related to the planning and development of the domain" (Jamal & Getz, 1995: p.188). It is also claimed that if organizations proactively consider the interests of all stakeholders, it leads to gaining the returns in a long run (Getz & Seldjan, 2005; Koscak & O'Rourke, 2009; Ritchie & Crouch, 2003). Although, there are a lot of different clauses that have to be kept in mind while applying the stakeholder theory to the tourism industry, especially while taking in DMO as the

type of organizations, and the local residents as stakeholders, which will be considered further in the paper.

2.2.2. DMOs implementing the stakeholder approach

Stakeholder approach, as it was mentioned above, is one of the approaches which is recognized for the destination development management in a long run. The stakeholder approach is suggested for the destination planning model for DMOs (Buhalis, 2000; Gretzel et al., 2006; Sautter & Leisen, 1999; Sigala & Marinidis, 2010; Wang & Xiang, 2007). It is emphasized that in order to maintain the destination in the long run, the actors need to be brought together so that resources are mobilized and the cooperation will be established instead of rivalry. The necessity for an integrated tourism planning is highlighted which is defined as an "interactive or collaborative approach which requires the participation and interaction between the various levels and types of stakeholders and governance units within the planning process" (Beritelli et al., 2007; Dredge, 2006b; Elbe et al., 2009).

Thus, the main role of DMO through the scope of stakeholder concept is to act as a coordinator among stakeholder groups in order to trigger their integration in the planning process and to manage their interests for the common good. Certainly it implies the presence of relationship building expertise within the DMOs to facilitate the tourism development processes. It implies also that DMOs have to do efforts in order to establish constant on-going relationship with their stakeholders (Garrod et al., 2012: p.1161; Elbe et al., 2009: p.294). And it's not only the importance of cooperative relationship between the stakeholders which is stressed but also the need of managing this relationship (Garrod et al., 2012; Elbe et al., 2009; Sheehan & Ritchie; 2005: p.723). Stakeholder approach supports that DMOs should act "as catalysts aiming to synthesize the divergent views and interests into a common destination voice and policy by fostering and supporting collaboration processes amongst tourism stakeholders" (Sigala & Marinidis, 2010: p.238; Wang, 2008).

According to Freeman (2010), for an organization, the identification of its stakeholders should become a first step to implement the successful management. However, the fragmented nature of tourism destinations can be often considered as a hinder to the recognition and acceptance of existing stakeholders for DMOs (Sigala & Marinidis, 2010).
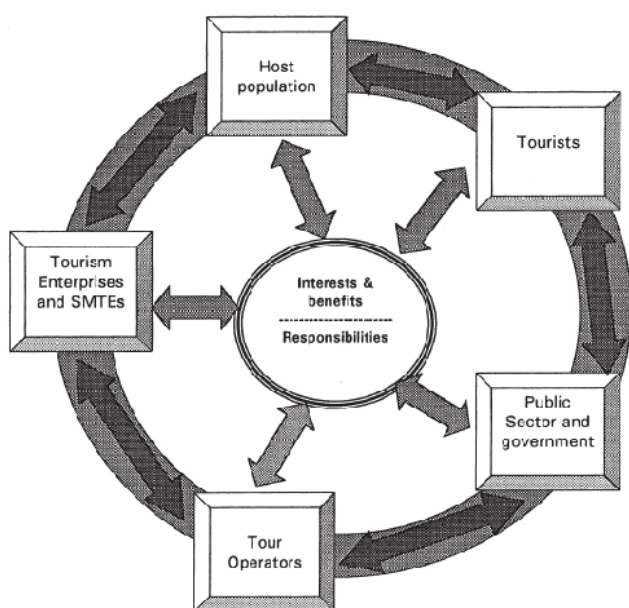

Fig. 1. The dynamic wheel of tourism stakeholders.
Source: Adapted from Buhalis and Fletcher (1995).

Nevertheless there is the general depiction of the main tourism stakeholders groups exists, offered by Buhalis (2000: p.99) (Fig.1), where stakeholders groups are represented. Thus, host population, tourism enterprises and SMTEs, tour operators, public sector and government, and tourists are considered to be destination stakeholders and should be involved by DMOs in tourism planning processes in order to achieve accepted and sustainable outcomes. Elbe et al. (2009) remarks also that DMOs should scan new opportunities for already existing stakeholders as well as for newcomers, so the represented circle is dynamic.

The next steps in organization management, according to Freeman (2010), are concerning the processes of establishing relationship with stakeholders. However, it is not so easy for DMOs to set up the cooperation with different kind of sectors in both the public and the private sector.

Scholars indicate the existence of factors which hinder their development and collaboration among the parties (Fyall & Garrod, 2005; Sigala & Marinidis, 2010; Wang, 2008a; Wang, 2008b). In scope of this research, hinders for setting up the relationship with local residents as stakeholders are in focus. The relationship with private sector which includes local residents can be characterized by: an absence of structured strategic planning towards collaborative practices and common good; lack of trust to public organizations and their resource management; poor awareness about public tourism policies; slow decision-making processes and implementation of decisions; lack of trained and competent staff; limited budget of regional and local public institutions.

All mentioned above can become a serious hinder in setting up the arrangements or bargains between the two parties (DMO – local residents). So, it should be kept in mind and there should be ways found in order to overcome the mentioned obstacles. Sheehan and Ritchie (2005: p.723) offer that DMOs may use several strategies to manage their relationship with different stakeholders groups – with businesses for example, a collaborative strategy may suit; while for local residents an involvement strategy may fit in order to implement planning processes. DMOs might also consider using a defensive strategy protecting the region from some kind of negative actions; or an observation strategy in order to monitor stakeholder's ability to threaten or cooperate with changes.

Despite the fact that stakeholder approach has been widely used among different disciplines including strategic management and marketing, sustainable development, corporate planning, tourism, culture and business, there exist also some critique notes concerning the stakeholder theory. Initially stakeholder theory was developed as a theory of organizational management and has been applied primarily in the business context (Freeman, 2010; Jamal & Getz, 1995; Sautter & Leisen, 1999: p.315). But once in this paper it is applied to tourism and destination development context, it is vital to consider several special features.

The stakeholder theory as an organizational concept tends to rest on the assumption that the organization exists in order to provide financial returns to its shareholders and that it is

therefore in the organization's best interests to maximize such returns. Certainly, DMOs posit the set of arrangements with the purpose of generating value for its shareholders, but maximizing returns for the sake of shareholders should not be considered as the end (Donaldson & Preston, 1995).

This is the principal difference of stakeholder theory applied to tourism - it is not focused on the profit maximization on the first place. So, applying to wider stakeholder interests should not be regarded simply as means to the end of addressing shareholder interests, rather than an end in itself (Freeman, 1984; Garrod et al., 2012: p.1160). DMOs ideally should try to address the interests of all stakeholders as ends and consider them equally. This topic will be further revealed in the part about stakeholder legitimacy and while considering local residents as a stakeholder group.

Summing up, the stakeholder approach can be used as a tool by DMOs for incorporation of all stakeholder considerations into the destination's strategic tourism planning. Through the scope of stakeholder concept DMOs acts as a coordinators among stakeholder to manage their interest in order to facilitate the destination development in a long run. However, it's right of DMOs to decide which relationship managing strategies they would prefer to apply with different kinds of stakeholder groups. Further in the paper, the issues of legitimacy will be in focus, namely what kinds of stakeholder can be concerned as legitimate to participate in DMOs decision-making processes and creation of strategic planning.

2.3. Legitimacy of DMO and its stakeholders

Suchman (1995, p. 574) defines legitimacy as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions". It implies that the perception of whatever actor is formed in advance relying on the judgment of earlier and present actions.

Applying the notion of legitimacy to this particular context of relationship between DMOs and their stakeholders the sense of dualism is appearing. The perception of legitimacy is distributed on both sides of this relationship – on DMOs and on local residents as their stakeholders. A DMO as an organization has to be perceived as legitimate by its stakeholders (Elbe et al., 2009: p.288). Simultaneously the DMO as an organization has a right to decide what kinds of stakeholders are legitimate to be included in DMO's strategic planning (Phillips, 2003). It is clear that DMO as a coordinating body would want to involve into the integration only those parties which it considers legitimate.

However, the stakeholder theory submits the responsibility of managers to select activities to obtain optimal benefits for all identified stakeholder groups, without giving priority to one stakeholder interests over another (Sautter & Leisen, 1999: p.314). Applying to all stakeholders interests to the same extent would be ideal, but can hardly be implemented on practice. The special feature of applying stakeholders' approach to tourism context was

discussed earlier in this paper. Thus, stakeholders' interests can't be addressed as they are of the same importance by DMOs. Here the notions of salience and significance are in focus in academic literature.

Sheehan & Ritchie (2005: p.727) use the concept of salience to explain why organizations may treat their legitimate stakeholders in different ways. Through usage of the stakeholder theory it is explored what potential different stakeholders groups have different significance for strategic tourism destination management. The basis of their argument is that the organization practicing stakeholder management will typically maintain closer and more meaningful relationships with those groups it considers to have greater salience, and will have looser and less serious relationships with stakeholders who are considered to have less salience. It can be understood also in a sense that DMOs recognize threads from the particular stakeholders and willing to reduce the interaction with them while setting up more solid connections with those from whom the benefits can be derived. The process described above recalls with DMOs strategies of relationship building with different stakeholders groups mentioned in the previous part.

Donaldson & Preston (1995) outlined that a group qualifies as a stakeholder if it has the high level of salience and a significant legitimate interest in aspects of the DMO's activities. According to Freeman (2010), the group can be considered as a legitimate stakeholder if it has either the power to affect the DMO performance and/or has a stake in the organization's performance. Garrod et al. (2012: p.1162) emphasize that only when the concerns of a stakeholder group start to affect the DMO decision-making, then the stakeholder has the right to be called legitimate. However, DMOs as organizations which possess limited resources and time, tend to address only those groups of stakeholders that have direct relevance to the economic interests and are necessary for organizations' survival (Garrod et al., 2012). Here, the issue of unequal attention to different stakeholders group arises again, that recalls to the concept of salience by Sheehan & Ritchie (2005: p.726).

It is essential to consider the notion of legitimacy from stakeholders' perspective, in this case, from local residents' perspective. The perception of DMO as a legitimate body by stakeholders is vital (Elbe et al., 2009: p.288; Håkansson & Snehota, 1989; Phillips, 2003). Form this derives that DMOs should have good reputation among local residents as well as one of its stakeholders. From the strategic point of view it is essential for DMO to devote a lot of time to networking and relationship building with stakeholders because it facilitates strengthening its legitimacy (Sheehan et al., 2007). As it was mentioned above in the aims of DMOs, it is included in the work of DMOs to strengthen their position within the destination in order to be legitimate (Wang, 2008).

Moreover, it follows from the definition of legitimacy that DMOs need to act in a proper way according to existing values to obtain the confidence that their actions are accepted and their decision-making is supported and followed. DMO has to be perceived as a legitimate organization by its stakeholders, e.g. by local residents so that they would be willing to have a

recognized legitimate stake in it (Elbe et al., 2009). However, if a group considers themselves as legitimate stakeholders of DMO, organization might not recognize them as such (Garrod et al., 2012: p.1162). Here the cycle of mutual acceptance of DMO and its stakeholders is returning in the beginning.

In academic works opinions about legitimacy issues vary dramatically. Therefore, in context of this paper, the legitimate stakeholders are "those groups that can affect or be affected by DMOs' decision-making" (Freeman, 1984; Garrod et al., 2012: p.1160). The issues of DMOs interaction with one particular group – local residents are considered in the next sub chapter of this paper.

2.4. Local residents as DMO's stakeholders

2.4.1. DMOs' perspective

The success of the DMO depends on how well the organization is in addressing the requirements and aspirations of a wide array of groups that have their own particular interests (stakes) in the organization as it was discussed above. Local resident are widely recognized as one of the DMO's stakeholders groups (Aas et al., 2005; Buhalis, 2000: p.99; Donaldson & Preston, 2005; Freeman 1984, 2010; Pearce, 1992; Pike, 2004; Sautter & Leisen, 1999; Sheehan & Ritchie, 2005; Sheehan et al., 2007). Especially considering the specific feature of stakeholder theory in relation to DMO, the organization should consider interests of its all stakeholder groups rather than shareholders. So, it is also base for the inclusion of local residents in strategic decision making of DMO (Garrod et al., 2012).

According to the definition of stakeholder, local residents can be considered as a group who is affected by a destination's tourism development, either materially or psychologically (Freeman, 2010); however, there is a question if local residents can affect the organizations' activities. Local residents can be defined as stakeholders also in terms of their geographical proximity to the destination (e.g. residents of a city, state or nation) (Ritchie & Crouch, 2003).

Ritchie & Crouch (2003) emphasize that DMOs in order to be competitive as public bodies might compete for all stakeholders' opinions, including attitudes of local residents. This is more likely to occur in countries where democratic principles are prevalent: there must be a tradition and culture of tolerance for the views and opinions of others, practices of communication and consultation must be present, society must have set up mechanisms (such as town hall meetings, review boards) which facilitate and encourage the contribution of public opinion to the process of visioning, planning and development. It corresponds with the case of Sweden as a country where the current research is conducted.

The previous study by Garrod et al. (2012) considered attractions' managers and local residents as stakeholders showed that organizations' managers (here attraction managers) are

accepting the important role of local residents; however, they tend to not favor the deep engagement with them performing their strategic planning (Garrod et al., 2012: p.1171; Keogh, 1990). Yet, there was not so much attention paid to DMOs as kinds of organizations. Therefore it is interesting to find out if their attitudes towards local residents would follow the same pattern.

As it was argued above, DMOs have to work constantly on the development of their relationship with stakeholders including local residents in attempt to maintain the on-going relationship with them. Garrod et al. (2012: p.1171) states that many organizations involve local residents from time to time to make some kind of temporary investigations just to get the justification of their decisions. But this can hardly be considered as competent involvement of locals in an organization's strategic planning. Therefore, it is also in the focus of the research to consider how DMOs' work on their relationships with local residents as their stakeholders and to what extent DMOs involve them in a strategic planning.

So, the level of locals' participation in the DMO's strategic planning is in focus. Arnstein (1969) has proposed the scale for the estimation of the local residents' engagement which is called "the ladder of participation". It was reformulated in works of Tritter & McCallum (2006) and Green & Hunton Clarke (2003) (Fig.2). Through this scale the level of engagement of local residents in DMOs' can be characterized (adapted from Garrod et al., 2012: p.1164).
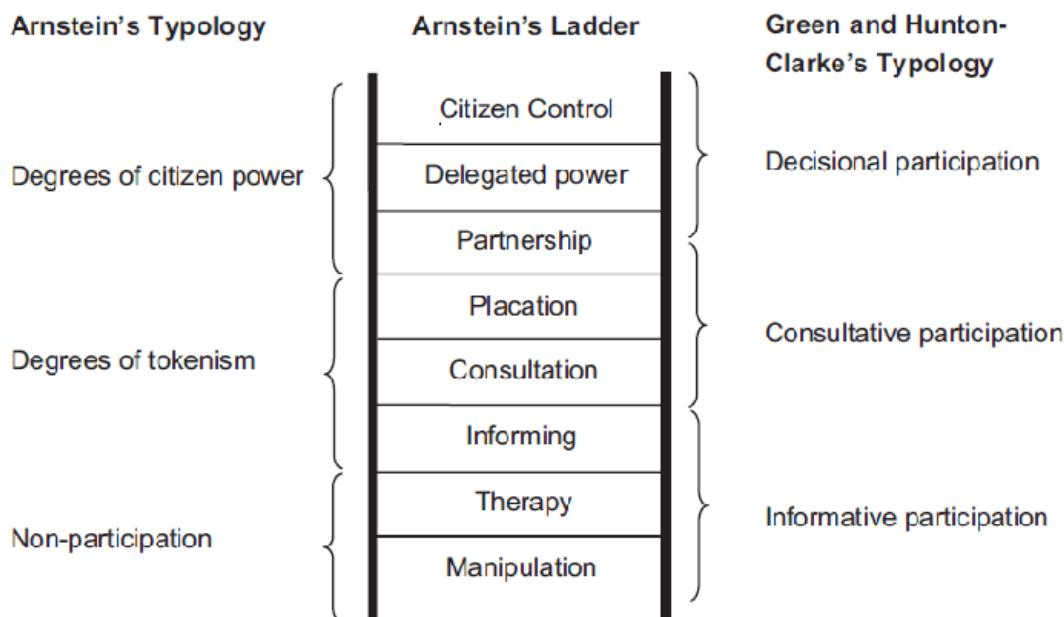
Fig.2 Arnstein's ladder of citizens' participation (1969). Based on Tritter and Mc Callum (2006); Green and Hunton-Clarke (2003) (Garrod et al., 2012).

The two lowest levels in Arnstein's ladder relate to engagement of residents only with the aim of manipulation or forestalling some actions from the group side. Green & Hunton-Clarke (2003) refer to it as an informative participation, where the one-way exchange of information is going on from the organization to its variety of stakeholders. The stakeholder role is passive on this stage, since it consists of just receiving information.

The next three levels relates to tokenistic strategies, which are aimed to inform, consult and placate residents. On this stage residents are engaged to the certain extent, while organization is making sure that residents feel good, encouraging them for the integration process. Green & Hunton-Clarke (2003) regard to this level as to the consultative participation, stakeholders are asked to express their opinions and make proposals for improvements. Organizations, in their turn, are free to decide themselves if they are ready to fulfill stakeholders' aspirations.

The top levels of Arnstein's ladder (1969) implies the highest levels of residents' participation, they are involved in decision-making processes and creation of planning strategies. Green & Hunton-Clarke (2003) emphasize the early time of handing in stakeholders' requirements, so it the most likely that their ideas would be implemented on practice. On this level stakeholders possess the control over the decision-making processes and have the opportunity to change the path of strategic planning.

Arnstein's ladder of participation (1969) is widely applied to the context of local people involvement in public organizations in order to estimate their level of involvement. Garrod et al. (2012: p.1163) elaborate the ladder of participation and offer to implement it applying to stakeholder engagement strategies in mixed public-private-voluntary contexts such as attraction sector. It was not applied yet to the specific context of DMOs' – local residents' collaboration. Nevertheless, it was considered possible to apply it in this particular context in order to classify different levels of residents' involvement into DMOs' decision-making and strategic planning.

2.4.2. Local residents' perspective

There were a number of studies which explored how local residents' attitudes are formed towards the development of tourism (Getz, 1994; Gursoy et al., 2002; Gursoy & Rutherford, 2004; Nunkoo & Gursoy, 2012; Vargas-Sanchez et al., 2011). The theory of social exchange is mainly implemented as a foundational theory in these kinds of study. It explains that the resident attitudes towards tourism depend on the impacts of the tourism they have experienced (Nunkoo & Gursoy, 2012; Vargas-Sanchez et al., 2011). It means that level of benefits' obtained from tourism development influence local residents' perceptions of tourism as an industry as well as their support for tourism planning. Residents' support for tourism is also often understood as synonym to an attitude to tourism (Gursoy, Jurowski, & Uysal, 2002). According to Vargas-Sanchez et al. (2011), positive attitudes to tourism are usually accompanied by higher level of support for the tourism planning activities while negative attitudes of local residents leads to lower support.

So, the issue of local residents' attitude to tourism industry or to tourism planning is explained through the scope of the theory of social exchange. The theory was widely tested in countries of developed and industrialized world, therefore was considered as appropriate in this case (Nunkoo & Gursoy, 2012; Vargas-Sanchez et al., 2011). And since DMOs are organizations

which are directly responsible for the tourism planning, attitudes to them will probably also depend on general attitudes to tourism development. For this reason, social exchange theory was taken in this paper as an explanation of local residents' perceptions of DMOs' performance.

Nonkoo & Gursoy (2012) argue that the understanding of residents' perceptions and their involvement in tourism is crucial to achieve sustainability in any destination, which stakeholders approach is aimed for. For this reason, it is essential to determine residents' perceptions toward DMOs' activities which probably depend on their level of participation. Not the less vital to explore if they are satisfied with their level of involvement and feel that the level of their participation is appropriate.

2.5. Summary: theoretical framework

In this theoretical part DMOs as types of organizations were introduced, their main goals were presented. In the scope of this paper, local level of DMOs is in focus represented by Swedish municipal destination development departments.

Stakeholder theory is discussed as an application to tourism industry planning. Stakeholder approach can be mainly used to promote the collaboration among key players in the planning process. Thus, the main task of DMO through the scope of stakeholder concept is to act as a coordinator among stakeholder groups in order to facilitate interaction and to include all groups' interests into the strategic planning. Particular attention was paid to processes of the stakeholders' identification as well as to processes of managing the relationship with stakeholders. It is also claimed that if organizations proactively implement the stakeholder approach, it leads to gaining the returns in a long run. Different levels of stakeholder involvement exist. Therefore Arnstein's ladder of participation (1969) was proposed as the scale for the estimation of the local residents' involvement.

Legitimacy issues are considered from both perspectives – from DMOs and from local residents. It was argued that the cycle of mutual acceptance exists in the relationship between DMOs and local residents as its stakeholders. On the one hand, DMO as an organization has to be perceived as legitimate by its stakeholders. Simultaneously, on the other hand, the DMO as an organization has a right to decide what kinds of stakeholders can be considered legitimate to participate into the strategic planning creation.

The theory of social exchange is taken as a main explanation for local residents' attitudes formation. It was claimed that positive attitudes to tourism are usually accompanied by higher level of support for the tourism planning activities while negative attitudes of local residents leads to lower support. So, attitudes towards DMOs as organizations which are directly responsible for tourism development could be also explained through usage of the theory of social exchange.

3. METHODOLOGY

In this part of the thesis methodological computations applicable to the research are discussed. The research design is introduced where the choice of methods was substantiated by the research question and the theoretical framework. Main limitations are mentioned at the end of this part.

3.1. Research design

In the introduction it was mentioned that there was the gap in the academic research which indicates that the perspective of local residents is not investigated in concern with DMOs' strategic planning activities. So, the forms of their engagement in DMOs' practices are in focus of the research. For this reason, DMOs' perspective on local residents' role in terms of their legitimacy and significance for strategic planning has to be considered. At the same moment, it is also important to find out how local residents' perception of DMOs' is created. Their views as organizations' stakeholders can be seen as valuable and complementary. Both perspectives are significant to consider in order to understand how the relationship between DMOs and local residents are built up. Thus, both perspectives are in focus of the research – managerial perspective which municipalities' representatives (MRs) of DMOs represent and local residents as stakeholders of a destination.

Firstly, it is aimed to understand how the work of Scanian DMOs on its strategic planning is organized; secondly, to find out how different stakeholders and particularly local residents are included into DMOs' strategic planning; thirdly, to investigate local residents' perception of Scanian DMOs.

It has been established that the aim of the social science research is not to redefine social facts, but rather to explain social behavior (Bryman, 2008; Silverman, 2011; Smith, 2010). It is relevant to this research because the aim of this paper it is not only to describe existing theories on stakeholder theory, legitimacy, levels of participation and social exchange, but to endeavor to understand how these concepts are applicable in real life and how people perceive them.

The empirical research was conducted in order to reveal a deeper understanding of the theoretical concepts and to offer some new views on existing problems. For this reason, the qualitative method of personal semi-structured interview was selected in order to conduct the research. All interviews were recorded and lately transcribed word-by-word. Descriptive analysis is used as the research design. Textual information was collected and interpreted in order to provide the insights into the perceptions and experiences (Smith, 2010). The obtained data is analyzed along the chosen concepts and the research questions. Transcriptions of interviews were read several times and coded depending on the context. The textual analysis develops on how local residents are engaged into DMOs' strategic planning. Further in this

chapter, methodological computations, access to the field and the practical applications of chosen method are described.

3.2. Personal interviews

The method of personal interview is chosen as the method for qualitative analysis. The term "personal interview" refers to in-depth, semi-structured interviews in which the researcher explores more than one topic through a series of general questions (Smith, 2010, p.109). It is also possible to probe answers, and to offer clarifications requested by the respondent. This method is seen appropriate for this kind of research since it gives the space for the analysis and provides a deeper understanding of the phenomena.

Questions about the meanings of experiences cannot be answered through the use of structured questionnaires (Smith, 2010, p. 109). A mere questionnaire may provide answers as to what people think, but would not shed light on why they think the way they do. Semi-structured interviews are somewhere in between the strict questionnaires and just an open-ended conversation. The intent of personal interviews is not to tabulate numbers, such as the number of people who hold certain views or engage in certain activities, but to understand how people think and feel about certain issues or experiences (Smith, 2010). Moreover, according to Flick (2007, p.160) the main goal of an interview is to disclose knowledge in form of interviewees' answers which consequently become interpretable.

Semi-structured interviews were chosen because this method allows considerable flexibility in terms of how interviewees respond to questions. Bryman (2008, p. 438) emphasizes that this approach "involve a degree of structure but... the interviews are also allowed room to pursue particular areas of interest". And, what is very important according to the research topic, semi-structured interviews will facilitate in answering how and why questions. Open-ended questions are used while compiling the interview-guide in the interviews in order to get spontaneous answers which could lead to further discussion and reveal opinions and insights of interviewees (Bryman, 2008; Flick, 2007).

The interview guide was prepared (Bryman, 2008; Flick, 2007) in order to control the data collection process and to indicate relevant topics of discussion. The previously discussed concepts in the theoretical part are weaved into the interview guide in order to reveal their practical implications. The guide is generally used as a plan to follow the topics which are planned to be covered during the interview. Yet, interviewees are encouraged to develop their own attitudes and opinions.

Sometimes it is also needed to adapt questions for each certain respondent as well as help to avoid possible misunderstanding of them (Bryman, 2008). So, in case it is needed, the proper explanation of the question and used terms should be provided. Since the role of interviewer

allows asking additional questions and gathering detailed and comprehensive information about the respondent's view on the chosen topic (Bryman, 2008).

The interviews were held in English. Bryman (2008) argues that it is important to conduct interviews in language comprehensible and relevant to the respondents. English was chosen as a language which is possessed on equal levels both by respondent and by the interviewer. It was done in order to avoid possible misunderstandings.

In order to facilitate the greatest possible coverage of material, all interviews were recorded (6 interviews with DMOs' representatives and 11 interviews with local residents). According to Bryman (2008, p. 451), rather high attention should be paid to the language, so it allows to omit the limitations of the memory or taking notes. All interviews were transcribed and printed that gave the opportunity for the thorough content analysis of all interviewees' opinions and attitudes.

3.2.1. DMOs' representatives

Four municipalities in the province of Scania were chosen by "purposive sampling" (Bryman, 2008): Helsingborg municipality, Lund municipality, Landskrona municipality, Malmo City and Tourism in Skåne as an umbrella Destination Marketing Organization. These municipalities are the largest in the Scanian province and have the biggest population. In all these municipalities there are exist departments of tourism development within the municipalities' administrations.

Thus, the mentioned municipalities were chosen in order to interview destination development managers (MRs - municipalities' representatives) at tourism departments to explore the DMOs' structure, strategic planning, views on destination stakeholders and collaboration with different stakeholders. The main aim of personal interviews was to examine DMO managers' considerations of local residents as their stakeholders and if there are any strategies used to adopt the interests of local residents in their planning activities. The interview guide was prepared in order to control the data collection (Bryman, 2008; Flick, 2007) (Appendix 1).

All MRs from chosen municipalities have managerial executive position in Scanian DMOs. They were contacted via email – the general information about the research was presented and a request for the interview was proposed. After the agreement, the time of interview was arranged. The interviews were conducted during the following period: 4th April – 25th April. Average duration of the interviews was 1 hour.

The interviews took place at the respondents' offices or close by to the office in a common area. Each interview was audio-recorded with the permission of the respondents. The respondents were informed about the topic of the interview and in what purpose the data is

going to be used. Some of the respondents preferred not to be mentioned by name in the literature list; therefore all the respondents' names are held anonymous.

3.2.2. Local residents

The sample of 11 local residents was selected in order to consider their perspective as stakeholders of a destination. The main criteria were that they all have been residents, who have lived in Scania for a long time, more than 20 years. All respondents have come from different municipalities and have lived both in cities and in the country. It was not the aim to collect the large sample, but it was rather desired to get rich insights into local residents' opinions concerning the activities of destination development.

Most of respondents were born here and have lived in Scania for their whole life. In order to reach results that would be possible to generalize an equal number of men and women differing by age was selected. The sample consists of 5 men and 6 women and is divided into the three age groups: young people (22-30), middle-age (31-60) and senior citizens (61-75). The age of men is from 22 to 75 years old and the age of women varies from 22 to 73 years old. Respondents falling in different age group were equally divided, so there were two young guys and two girls in the first age group, two men and two women in the middle-age group and two ladies and one senior citizen in the last age group. The interview guide was prepared to facilitate the process of data collection (Bryman, 2008; Flick, 2007) (Appendix 2).

Social networking was used to get the access to Scanian local residents. The arrangement happed mostly by personal contact or on the phone after the short presentation of the work and the topics which were going to be discussed. The interviews were conducted during the period from 10th April to 24th April within the personal meeting in convenient for the interviewee conditions. The personal interviews with local resident were undergoing in an interactive setting and a bit in an informal way, so it would seem more like a usual conversation, during which one party is sharing one's opinions. Smith (2010) supports also that often personal interviews can be an intimate form of human interaction. Average duration of the interviews was 30 minutes.

3.3. Limitations

The biggest challenge of a qualitative research is to avoid possible subjectivity through the whole process from specifying the research question to interpretation of the results. Therefore, while conducting the interviews specifically, the expression of own opinions and judgments which could influence the interview process should be avoided (Silverman, 2011).

It can be complicated to classify all answers within one response pattern. So, as a limitation for the personal interview method, the difficulty to generalize data can be noticed (Bryman,

2008; Smith, 2010). Moreover, with this kind of research, it is implied that the answers of chosen respondents can't encompass the range of opinions in order to create the holistic understanding.

The role of language is quite essential in the qualitative research (Smith, 2010). English was chosen as a language for interview however, it is neither the mother tongue to respondents nor to the researcher. Nevertheless, it is possessed on equal levels both by participant and by the researcher, which allows the proper communication of thoughts and opinions.

Since it is a qualitative study, it is important to provide some descriptive details, but not less important to keep it in mind, that those details should be significant to the research and their amount should not prevail over the analysis of data.

3.4. Summary: Methodology

In this chapter it is described how the empirical data for the study was generated. The empirical material was collected in order to reveal a deeper understanding of the theoretical concepts and to see the correlations between the phenomena described in theory and the real life picture. Theoretical concepts are attempted to be projected on the practices in order to reveal the understanding of relationship building between DMOs and local residents.

The qualitative method of personal interview method was chosen as the method for the investigation of both perspectives – MRs as DMOs' representatives and local residents as stakeholders of DMOs. This method was seen as appropriate for this kind of research since it gives the space for the analysis and provides the deeper understanding of the phenomena.

The selection of DMOs' representatives was explained in this chapter. Practical access to the field and details about interviewing process were provided. The criteria for the selection of local residents as respondents are presented as well. It is also mentioned that sample was specially picked up in order to make more general conclusions.

All interviews were recorded in order to facilitate the material collection. All interviews were transcribed and analyzed by means of textual analysis. In the next chapter, the results of analyzed empirical data are provided, which are considered along the chosen concepts and the research questions.

4. ANALYSIS

4.1. The DMOs' representatives

In this chapter the results from interviews with six Destination Management Organizations' representatives will be presented. The semi-structured interviews with DMOs' representatives (MRs) are descriptively analyzed in order to facilitate answering the research question: *How the Scanian local residents as destination stakeholders are engaged into DMOs' strategic planning?*

In the academic literature considerable attention is paid the stakeholder approach; therefore it is interesting to investigate how it is implemented in practice by DMO. It is one of the main goals of this paper – to explore how the work of Scanian DMOs on the strategic planning is organized and how different stakeholders, particularly local residents, are included in it. It is essential to investigate how DMOs assess the significance of local residents and their legitimacy as destination stakeholders as well as how DMOs engage local residents in practical collaboration.

The sequence of data analysis is mainly following the interview guide questions in order to reveal theoretical conjectures and present the obtained results in a logic way. The following analytical part is particularly interesting because it discovers the interconnections of the theoretical framework with the practical implications, in other words – existing theoretical models are tested on practice in this chapter.

4.1.1. The structure, goals and strategic planning of DMOs in Scania

Before the research was started, certain knowledge about the Scanian region was obtained. Since Scanian DMOs were chosen as the object of the research, information about tourism development was gathered and the structure of Destination Management Organizations was explored. It can be found in the introduction chapter – the overall setting of the research was described.

Nevertheless, it was seen as necessary to ask all MRs to provide their own vision of the structure of tourism organizations which work for destination development in Sweden. It was done in order to see if all MRs perceive the structure in a common way and assign the goals of different organizational levels similarly. Moreover, first questions helped to reveal the perception of responsibility by local DMOs – whom MRs consider responsible for the collaboration with different stakeholder groups.

It turned up that all six MRs were well aware of the structure of organizations working for tourism industry development in Sweden and in Scania in particular. They all could precisely

name the two umbrella organizations, standing above their level of DMO in the hierarchy and name their goals assigned to deifferent levels:

- *VisitSweden* is recognized as an agency which is responsible for the marketing of Sweden abroad. It was noted that as a company, VisitSweden, does not have any assignments in marketing of Sweden in Sweden directly, but that they, as an organization, can collaborate with Swedish regions when the assignment is coming to the international marketing and branding.
- At the regional level there is the Destination Marketing Organization *Tourism in Skåne*, as a subordinate part to Region Skåne. This organization is a local Destination Marketing Organization in the province of Scania. All MRs emphasized that they work with Tourism in Skåne in close cooperation. As it is the assignment of Tourism in Skåne to attract tourists to Scania, they work with all 33 individual municipalities in the province. Moreover, following the vertical structure of hierarchy, the work of Tourism in Skåne in order to market Scania abroad, they do in collaboration with VisitSweden.
- At the provincial level organization *Helsingborg Business region* unites municipalities on the north-west of Scania and works as an alliance for the region development including tourism development.
- Malmö, Helsingborg, Landskrona, Lund municipalities, whose MRs were interviewed, have their own destination development department, which includes tourism development department and a tourism office.

MRs recognize "the "top-down" structure in the tourism development in Sweden" (Wray, 2012: p.606). As subordinates, municipalities follow the decisions of Tourism in Skåne which is responsible for the overall tourism development in the province. However, one MR said that "we can also come up with some kind of initiative and just say that we'll do something our way". Another MR noted that "when it comes to tourism we always try to hook up to the overall strategic plan when we can work together". For example, several MRs mentioned that now they have the common strategic goal of creation the web booking platform for the Scanian province, Skåne.com – where everything can be booked – hotels, activities, transportations, packages. So, all municipalities are united in order to implement this plan, however, every municipal DMO is working on "its own homework" for the general strategy.

MRs pinpoint that the structure of tourism organizations of all levels in Sweden is transparent. They emphasized that the work for the tourism development is undergoing on all levels simultaneously and the degree of collaboration is rather high. There are regular meetings and workshops between the organizations of different levels, e.g. Tourism in Skåne as an umbrella organization in the region and municipalities' DMOs. Thus, the strategic planning for all DMOs in Scania is created in close collaboration with Tourism in Skåne whereby the needs of each municipality are considered. Hence, according to responses of all interviewees, every municipality is responsible for the creation of their own strategy.

Tourism in Skåne works as umbrella organization in collaboration with all municipalities in order to attract tourists to Scania from outside of the province. Therefore, as an organization they share mostly municipalities' initiatives which are directed to the attraction of visitors to Scania. Pike (2004) and Wang (2008) specify that the main goal of such DMO-umbrella organization can be seen as taking the overall responsibility for promoting tourism and attracting visitors to the place, and it finds the reflection on practice.

All MR recognize the importance of creating strategic alliances between actors such as municipalities and local businesses and that collaboration plays a crucial role in marketing and developing the area (Fyall & Garrod, 2005; Sautter & Leisen, 1999). Creating alliances, according to words of one respondent, is "the way to allocate budget easier and present the destination as the whole region on the market in a more visual way". One MR noted that it is the strategic message from VisitSweden to all tourism organizations – "to find the most important strategic partners in order to create strategic alliances to develop together".

The collaboration is visual among key players in the tourism planning process in the province. It is important that the process of joint decision-making among key stakeholders is recognized (Jamal & Getz, 1995). Limited province resources are shared by municipalities which are considered to be interconnected (Wang, 2008b). Municipal tourism development departments are brought together in the cooperation so that resources can be mobilized (Beritelli et al., 2007; Dredge, 2006b).

MRs in every municipality are well aware of the existing National Tourism Development strategy (National Strategy, 2012). Scania is preparing to double the amount of incoming tourists. "These kind of strategies strengthen the collaboration processes within the region", according to the opinion of Tourism in Skåne – as an umbrella organization, they emphasize the importance of cooperation with all municipalities. Moreover, this National Strategy involves also the concept of sustainable development for the destinations in Sweden. All MRs however, perceive the sustainability mainly through the environmental dimension. It became clear during the interviews, that they rarely discuss the sustainable development as an overall strategy for destination development and approaches on how it could be reached, including the implementation of stakeholders' approach – it is discussed further in this paper.

All interviewees highlight goals of DMOs in Scania almost in the same way. MRs acknowledge tourism is a powerful force which plays the important role especially in the economic development of municipalities (Ritchie & Crouch, 2003; Pike, 2004). All MRs agreed that "with the tourism development more money will come to the region." In particular, MRs recognize such goals as: increasing the tourism turnover, attracting tourists to the region, increasing the number of employees in tourism, marketing their destination both in the scale of Scania and independently. So, it became apparent that DMOs works predominantly for tourists needs, "to have good brochures, good maps, good tourist office, and new technical devices such as apps and so on," – so "the municipality would be able to meet the customers wherever the customers are to fulfill their needs".

While answering on the question about strategic goals of DMOs, MRs mostly emphasized the increasing the economic profit from the tourism development and nobody has mentioned, for example, the enhancing the long term prosperity of local people. It evidences that economic aspects are pinpointed in strategic goals of Scanian DMOs. It might affect the choice of stakeholders which they as an organization include into the collaboration.

Despite the fact that local residents are widely considered as one of the most important stakeholders of the destination (Buhalis, 2000; Freeman, 2010; Ritchie & Crouch, 2003; Sheehan & Ritchie, 2005), only one MR mentioned them while defining goals of DMO. MR reckoned that local residents are important for destination development as a whole: "As a destination development department, we are looking for changes in the municipality, gaining the people who are living here, gaining the businesses, which already are here and gaining the people who are tourists and want to come here". However, if the destination was mainly considered from tourism perspective, incoming tourists are rather considered to be destination stakeholders than local residents.

The processes of setting the goals and creation of strategic planning for the tourism developments are complex assignments which organizations on different levels are facing. For this reason, it was essential for the research to figure out how the strategic planning of DMOs in Scania is implemented. It facilitates the understanding of what level in tourism management structure is actually responsible for the various stakeholders' involvement. It was necessary to find out on which level the initiatives and proposals for the collaboration with different stakeholders are emerging.

Thus, it can be concluded, that every municipality has a right to decide themselves who their stakeholders are, and who are actors that they would like to work with. It is corresponds also with the principle of self-rule in Swedish law, implying that local issues should be decided on the local level (Swedish Municipalities, 2012). It was mentioned very clear in one MR opinion: "We are working for the collaboration, but all the municipalities have their own stakeholders, their own accommodation providers, tourism agencies and etc."

4.1.2. Recognition of DMOs' stakeholders

There is a wide range of those who can be regarded as the various destination stakeholders. According to Buhalis (2000) host population, tourism enterprises and SMTEs, tour operators, public sector and government, and tourists are considered to be destination stakeholders and should be involved by DMOs in tourism planning processes. For this reason, it was so important whom the MRs identify as their stakeholders in the specific context of the Scanian province. It was done in order to compare with the general model of stakeholders of destination provided by Buhalis (2000: p.99) (fig.1) and with widely-recognized stakeholders of the organization defined by Sautter & Leisen (1999: p.315) and Sheehan & Ritchie (2005: p.728).

An important question in the interview was about whom the MRs recognize as their destination's stakeholders. Some answers were rather general: "Each and everyone who is involved with meeting tourism, giving services to tourism, offering products to tourists, collaborating with events". One MRs mentioned: "All companies, which are connected to tourism." Such an overall definitions can be also traced in the very basic notion of stakeholder given by Freeman (1984) that it is "any group or individual who can affect or is affected by the achievement of the organization objectives".

Analyzing frequency of named stakeholders out of five MRs and Tourim in Skåne representative: accommodation (hotels, hostels) and restaurants were named by all of them; municipalities, governmental structures, attractions, museums were named by five MRs; transportation, shops by three. Local residents were recognized as DMOs' stakeholder by two MRs. Tour firms, theaters, university, convention centre, tourists, VisitSweden and Tourism in Skåne as umbrella organizations were also mentioned as destination stakeholders once.

Couple of MRs referred to all stakeholders in general: "They are actually the destination. We are just a company; we don't own anything, so our task is to market the destination to attract people here." This statement reflects the theoretical understanding of destination from stakeholders perspective, that is "an open system of numerous and varied stakeholders which are interdependent on each other" (Sigala & Marinidis, 2010).

As many MRs noted, they are interdependent not just with local businesses but also with organizations like Turism i Skåne and Visit Sweden: "We depend on each other when it's coming to marketing activities". Or it was mentioned also: "When it's coming to international promotion, we never do it alone; we do it together with our partners, because with our small amount of money we will be not visible abroad." Here the issues of cooperation are coming on top. Pike (2004) argues also that DMOs are acting in conditions of a limited budget and as the organization; it usually does not hold resources to carry out desired marketing activities. Therefore, its role become more originative, namely in mobilizing resources (Gretzel et al., 2006). One MR noted that it is their assignment "to have umbrella perspective over all the stakeholders to see new possibilities". It finds the reflection in Elbe et al. (2009) which argues that DMOs should scan new opportunities for already existing stakeholders as well as for newcomers, so the represented circle of stakeholders would be a dynamic model.

In a situation of the variety of resources available DMO is taking the responsibility of coordinating them to fulfill the tourism goals. One MR mentioned also that "We don't have a product of our own. We are the organization whose assignment is to communicate and to distribute what the destination offers." This statement projects the stakeholder approach on the goals of DMOs – to act as a coordinator among stakeholder groups in order to trigger their integration in the planning process and to manage their interests for the common good (Wang, 2008). It will lead to gaining the returns in a long run (Buhalis, 2000: p.114; Ritchie & Crouch, 2003).

All MRs mentioned that without having a close cooperation with stakeholders they would not be able to do anything. It was widely emphasized that "it's important for us [for DMO] to be there, to have an active dialog with all stakeholders and that the cooperation is a crucial thing." It can be called facilitative strategy and directed on the creating the conditions for members' cooperation and coordination (Sheehan et al., 2007). However, the stakeholder approach was not recognized as an approach for sustainable development of a destination, MRs implement it in DMOs practices. So, the stakeholder theory is unintentionally recognized as a tourism planning approach, which is finding its reflection in Jamal & Getz (1995) and Sautter & Leisen (1999).

Thus, MRs named those, which they considered as DMOs' stakeholders. Their answers coincide with Sheehan & Ritchie (2005: p.728) scheme of salience of DMOs' stakeholders, where the first priority is given to hotels and governmental structures; attractions, restaurants, local residents are relatively less important. Mentioned stakeholders can be also fitted in the dynamic wheel of stakeholders, provided by Buhalis (2000: p.99) (fig.1). So, all MRs identified DMOs' stakeholders according to the widely-recognized models mentioned above. Therefore, according to Freeman (2010), the first step – namely the recognition and identification of existing stakeholders was done. Stakeholder approach has a potential to be applied in the particular context for strategic planning. It was already mentioned that stakeholder approach was not recognized as a management tool for DMOs' development in Scania; however, it can be seen that it is used unintentionally.

4.1.3. The level of significance and legitimacy of stakeholders

According to Sautter & Leisen (1995), once DMO consider the stakeholder approach as a management tool, responsibility of MRs occurs to select activities to obtain optimal benefits for all identified stakeholder groups. Applying to all stakeholders interests to the same extent would be ideal, but can hardly be implemented on practice. It became clear while MRs answers were analyzed.

All MRs recognized local businesses such as hotels and municipal authorities as their primary stakeholders. One MR commented: "Municipalities first of all, they are official structures. And then we have private businesses, they are very important." Such choice finds the reflection in salience theory by Sheehan & Ritchie (2005: p.727) which argues that organization practicing stakeholder management approach will try to sustain closer relationships with groups it reckons to have greater salience, having looser relationships with stakeholders who are considered to have less salience. Salience in this case can be synonymous to significance. In a particular context of DMOs exactly those groups of stakeholders (municipal authorities and hotels) were considered as most significant, and as those, with whom DMOs seek to maintain close relationship. It can find the confirmation in previous empirical studies (Sheehan & Ritchie, 2005).

Continuing the application of salience theory (Sheehan & Ritchie, 2005) to the particular context it becomes clear that stakeholders can not be of the same importance on practice. One MR mentioned that "interests of different stakeholders come to the top in order to be considered and employed into the seeing and planning. It depends on what market we're working with and what kind of segment." Another MR mentioned that "if our business stakeholders are not interested in what we are doing, we better not do it". This kind of reasoning is quite business-oriented and hinting on having among significant stakeholders mostly those who bring profits. It is also reflected in Garrod (2012: p.1171) that organizations tend to address only to those groups of stakeholders which are relevant for economic interests. So, DMOs as type of organizations are allocating the significance of different stakeholders' groups according the concept of salience (Sheehan & Ritchie, 2005: p.727).

From the interviews, it became clear that local businesses are considered by MRs as the primary stakeholders of DMOs. "Local businesses are most significant stakeholders anyway. It's all about our task, because we want to increase the turnover," – mentioned several MRs. It refers back to such functions of DMO as cooperation with government and local businesses simply because DMO has to follow its economic goals (Pike, 2004).

Municipal authorities are the second most significant group of stakeholders, according to responses of MRs. "We want to be attractive destination and accessible destination in general. We work all together for the city development involving different city departments", – stated several MRs. It coincides with the pinpointed necessity for the cooperation and coordination between the various levels and types of stakeholders and governance units (Beritelli et al., 2007; Dredge, 2006b).

Processes of collaboration with local businesses and municipal authorities seem to be well-established for Scanian DMOs. Almost all MRs mentioned that most of local businesses are part of their open network. In some municipalities they have regular meetings and workshops in order to have an active dialog with these two groups of stakeholders. Other groups of stakeholders to some extent were neglected by MRs.

The specific feature should be remembered once stakeholder approach is applied to tourism industry. If the stakeholders' approach is considered as organizational concept, there is an assumption that the organization exists in order to provide financial returns to its shareholders and that it is organization's main interest to maximize such returns. Garrod et al. (2012: p.1160) argue that applying to wider stakeholder interests should not be regarded simply as means to the end of addressing shareholder interests, rather than an end in itself. So, as an output, DMOs ideally should try to address the interests of all stakeholders as ends and consider them equally (Donaldson & Preston, 1995; Sautter & Leisen, 1999). Yet, it doesn't match the allocation of stakeholders groups made by Scanian DMOs. The stakeholder approach does not really find its implementation on practice in practoces of Scanian DMOs.

The next issue to be considered is the issue of legitimacy. All MRs were asked whom they consider as legitimate stakeholders. The notion of legitimacy was explained to every interviewee in order to avoid the ambiguity in meanings. Mainly, it was understood that the legitimate stakeholders can be called such groups of stakeholders, who has a public acceptance to participate in strategic planning.

MRs gave preference again to the named stakeholders, such as municipal authorities and local businesses. "Hotels, for example, offer us the capacity for being the tourism destination at all," – noted one MR. Local businesses have a right to choose if they would like to participate in DMOs activities. But every MR confirmed that they certainly have a right to be counted as legitimate stakeholders.

Local residents were identified by all MRs and representative of Tourism in Skåne as legitimate stakeholders. However, it seemed like those MRs who did not name them as stakeholders initially, felt like including them at least as legitimate stakeholders. It could be because it "just feels right to include them", – as one MR said. Another MR added: "We understand that we can't promote tourism and develop it [the destination] once we don't have people who live here. Seem to be right to involve them somehow." So, it can be concluded that all MRs recognize the important role of local residents as destination stakeholders.

A couple of MRs reckoned also that "everyone who wants to be part of it has a right to participate". So, DMOs' definition of legitimate stakeholder falls under the notion of legitimate stakeholders, which was given in the theoretical framework of this paper: "those groups that can affect or be affected by DMOs' decision-making". However, one MR added that stakeholder would be considered as legitimate "especially if one has some interesting ideas or the social network for the destination development". This statement close the circle in a way, that DMOs are ready to see everyone as a stakeholder, as long as one has something to offer, e.g. to bring some benefits to the organization.

4.1.4. Local residents as DMOs stakeholders

There were just two out of five MRs who named local residents as destination stakeholders from the beginning. However, when the issue concerned the legitimacy of local residents as destination stakeholders was brought up, all five MRs and the representative of Tourism in Skåne named them as such. So, in the end, it was concluded by all MRs that local residents have a legitimate interest in destination development. Yet, there were different attitudes noted by different MRs towards the local residents' inclusion in a list of DMOs' stakeholders.

First, opinions of those MRs who considered local residents as DMOs' stakeholders are in focus. Then, opinions of those MRs who were not naming local residents from the beginning are regarded. In the end, the practical measures of engagement with local residents are reviewed in the following discussion.

One of MR mentioned: "We as a municipality, we do not have so much to market if we didn't have local businesses and residents. Otherwise we will not have so many visitors if we don't have anything to show." Another MR noted also that "a successful destination has to have local residents living there – they have to be part of it." So, it can be noticed that local residents are referred to as a component of destination. It reflects in the notion of destination through the scope of stakeholder approach – "an open system of numerous and varied stakeholders" (Sigala & Marinidis, 2010).

Moreover, local residents were assumed to be "good destination ambassadors". By one MR it was mentioned that "they can come and help in different ways". Another MR added: "Local residents are the ones who interact with tourists a lot. They are the ones, who are meeting them in the street, in cafés, saying to them where they should go. We [DMO], of course, want these meetings to be unique and giving a great service". Here are examples of how the local residents can be treated as a support to the DMO's activities with the following extraction of benefit for DMO.

One MR was claiming that "sometimes you have to invest without getting revenue, because it's a way of building a good trust between the organization and local residents." On this example, the aim to create value in a long run can be recognized (Hall, 2011; Wang, 2008; Wray, 2012). One MR added also: "We want the citizens to get to know their city through some kind of "city walks" – it will strengthen the identity of locals." These ideas certainly support the thoughts for the destination development in a long run. The application of involvement strategy to relationship management could definitely make the relationship between DMOs and local residents stronger. Moreover, such kinds of exercise can make organization more legitimate (Elbe et. al., 2009; Sheehan & Ritchie, 2005). Because it is exactly local residents as one of stakeholders who choose to accept DMO or not (Phillips, 2003). It will be discussed further in this paper. However, these MRs' thoughts were only on the level of ideas, no practical implementation exists.

Nevertheless, it seems to be the beginning of the actual work, when on of MRs stated: "Every morning, I'm waking up and thinking who is paying my salary? – It's people who live in the municipality. Therefore I feel I have to deliver to them as well, I have to listen to them." This kind of ardent statement shows the attitude of MR to actually act towards improvements. He felt that there was the lack of the dialog with local residents as their stakeholders and that DMO could definitely work more for it.

However, here are two things that could be identified in all MRs' opinions: something, that would be good to do according to MRs' opinions in order to interact with local residents and something what is actually exists as a form of interaction. All MRs agreed that "it's hard to reach everyone". "We have our information channels and we're trying to do our best". So, particular activities are actually taking place to engage local residents in Scanian

municipalities. The level of local residents' involvement is possible to analyze, using special scales, which will be proposed later.

One MR acknowledged the local residents as destination stakeholders from the beginning. However, she mentioned that just for their department, which belongs to city office, citizens are probably not the primary stakeholders: "We, as a city tourism department, certainly have dialog with locals. But there are definitively other departments which have closer dialogue with residents. It all depends on goals and missions." Here the shift of DMO' responsibilities can be noticed. In order not to have bad conscience, MR mentioned that even if local residents are not stakeholders for their department, there are definitely other organizations which are taking their interests more in depth.

It was also mentioned by one MR: "The inhabitants of the city are very important, because if you try to implement tourism projects and you do not have people living there with you, it would be a problem." This examples show, that the municipality can approach the issue of relationship building with local residents with caution, because they do not want local residents to become a hinder for the development. Sheehan & Ritchie (2005: p.723) allocate such attitude as an observation strategy of the relationship building. DMOs monitor stakeholder's ability to threaten or to cooperate with changes. But still, it can be considered that local residents are engaged in this case.

One MR and representative of Tourism in Skåne admitted that local residents could not be considered as their stakeholders because they were not part of their targeting. It means that they reckon, that DMO' activities are directed mainly on incoming tourists rather than on local residents of a destination. MR noted: "We don't really encourage the citizens of the region for participation, because they are not our target group". So, targeting as marketing instrument became also the tool for defining the significance of different stakeholders.

Representative of Tourism in Skåne explained that they are marketing the whole Scanian province for different target groups of incoming tourists (for example WHOPs, DINKs and active families), as they consider that activities of Tourism in Skåne is directed primarily on visitors coming from outside of Scania but not on locals. Mission of Tourism in Skåne is to attract tourists in Skåne from outside of the region: "First of all, we are working with companies and businesses; we are working with everybody outside of Scania." Tourism in Skåne assigns the work with local residents as stakeholders to municipalities in Scania. From the representative's words they are certainly considering local residents, but since they are working mainly to attract people from outside of Scania, they do not give the priority to this group of stakeholders.

There were also two more examples of municipalities where MRs hesitated to accept local residents as stakeholders because they saw them as a possible hinder for the destination development. This kind of strategy for the relationship management is called defensive (Sheehan and Ritchie, 2005: p.723). In one case MRs complained that local residents are not

letting to change the medieval centre of the town: "Some locals are against the development. We don't want to ask them because we are confronted. That's not a problem just for the tourism, but for the whole city." One more example of defensive relationship strategy was when the citizens have protested against the building of office centre in center of one municipality. So, in these two cases local residents became thread in some way to the development planning. For the obvious reasons, MRs were not sure that they can refer to local residents as to their destination stakeholders.

Nevertheless, one of MRs mentioned that in a scale of their municipality, they address to local residents, companies, visitors as to target groups for the destination development project, including tourism development. It was one of the municipalities which recognized local residents as their stakeholders. This can prove that every municipality is taking decisions on their own, obeying the principle of self-rule (Swedish Municipalities, 2012).

So, many MRs recognize local residents as their legitimate stakeholders of the destination, however they do not favor the deep engagement with local residents. As it was illustrated above, different strategies for the relationship building are applied in Scanian DMOs. It was noticed, that almost all of MRs shift the responsibility for local residents' involvement to governing structures and authorities in municipalities. However, they mentioned that they would take more practical measures if they would have an additional budget specially allocated for these activities. Yet, it was only on the level of the ideas, and because MRs felt it was "the right thing" to do.

4.1.5. The practical engagement of local residents

Once local residents were considered as legitimate stakeholders by DMOs in Scanian province, the processes of collaboration with them are in focus. According to Freeman (2010) it is the third step after their recognition and managing the relationship with them. So, in this subchapter, the practical engagement of local residents as destination stakeholders is considered. At the end of the chapter, the level of residents' participation is defined according to Arnstein's ladder of perticipation (1969) and adapted Green and Hunton-Clarke's typology (2003).

All MRs mentioned that local residents have an opportunity to contact destination development department with their enquiries any time. "The direct interaction is taking place when locals contact tourist offices", – said also one MRs. Local residents are welcome to tourist offices to get the information and tips what they could do in their leisure time. Some municipalities have also special event-calendars which they are sending out via emails.

Standard means of communication such as brochures, magazines, newspapers are used to inform not just tourists but local residents as well. One MR stated: "Through the local

newspaper we've communicated to people that now we've started up with new strategy, and we want them to be a part of it."

All municipalities use the contemporary means of technology in order to maintain the ongoing dialog with their local residents. Via social networks such as Facebook and Twitter they are updating the information about coming events. Residents have an opportunity to request necessary information or to express their opinions online.

Different kinds of municipal web pages exist for the residents. Local residents can post their ideas or issues they are having to municipal politicians. If a lot of people sign it, the issue is definitely going to be considered. Several MRs emphasized: "It's very important to have a platform where people can speak their minds and come with ideas." It's an example how practical questions, concerning the daily life, can be addressed.

All MRs mentioned, that there are guided tours with different thematic available both for tourists and for local residents. There are classical tours in the biggest towns of municipalities, as well as some new interesting thematic historical tours or biking tours, which are covering different target groups both of tourists and of local residents. One MR emphasized, that they organize this kind of sightseeing tours in their municipally for tourists and for local residents, however tours are not profitable for them.

Some MRs mentioned that they were thinking of organizing "city walks" free of charge for their local residents. They emphasized, that it is very important when local people know the history of their city. It would probably give them stronger feeling of identification with the place and the kind of engagement like "city walks" could help DMO to build the value for local residents in a long run. But there were different reasons why they could not implement it on practice: limited budget of regional and local public institutions, lack of shared view with local authorities – factors that hinder the collaboration on practice (Fyall & Garrod, 2005; Sigala & Marinidis, 2010: p.239).

Following, in this section, some particular cases of local residents' involvement are provided on the examples of different municipalities. So, it was considered appropriate to mention municipalities by name in the research, since there are no personal opinions expressed and the information on these can be found on Internet.

There are events for local residents especially during the summer and Christmas time. MRs emphasize, that these kinds of events are created first of all for local residents, e.g. Helsingborgsfestivalen, Malmoscen, Sommarlund, Landskrona Karnevalen. DMOs take part in the promotion and marketing events to make them visible. During these festivals citizens have opportunity to listen to the music, watch dance shows and participate in amusements free of charge. Local residents are also encouraged to come up with their own ideas to express themselves in variety of arts. "On the first hand, it was not done as a touristic attraction", –

admit one of the MRs: "But it can be used like that too – so we are using it as a product in out event calendar."

There is one example of ambassadorship in Malmö Stad which is called "Hitta ditt Malmo" campaign. If somebody is going to visit Malmo as a tourist, it is possible to write down one's interests on the webpage, and be matched with one of the Malmö's residents. Tourists can get some tips on what to do in Malmö and even to arrange the meeting with local citizen. MR noted: "Participation in this ambassadorship campaign is voluntary and it's for local residents who "burn" for their city." Such kind of ambassadorship campaign can be considered as an innovative way of engagement with local residents.

In Malmö there is also a project going on which provides authentic dining experience with Swedes. The supper club was established with DMO' help and became a tourism product. It was covered in different countries' press and now is being marketed by DMO. This project can be an example of local residents' involvement in creation of tourism products for the city. In this case, local residents become experience providers for coming tourists, being the representatives of the destination.

Helsingborg municipality has collaborated with Danish town of Elsinore to create the free of charge tour for local citizens once a year. "We're trying to educate people, to help people see those two twin cities to really become twin-cities. We use edutainment concept – you learn more about each others' towns." It can also be considered as an example of an activity when local residents feel the commonality with a twin city and consider each other as close communities.

Lund DMO once offered to local residents to participate in "Open day" devoted to the National tourism day in Sweden. The event was organized in the tourism office. After closing time, around 50 local residents who had signed up previously were invited. There was a lecture about the history of Lund as an education part and some funny stories as an entertainment part. Here it is seen how tourism office is involving local residents in its activities, so that local residents will be aware of it.

In Lund municipality the project of brand rethinking has started – the city is creating the new brand for Lund as the destination. Since there is work ongoing on several large science projects, Lund has to work on creation of new image. MR claimed that local residents can also take a part in it, sending their ideas. It is seen as interesting step of involvement of locals into branding their own town.

In Landskrona municipality local residents also have the opportunity to participate in town's strategic planning. There were ambassadors groups organized of people who are interested in deferent aspects of local development. All ambassadors are representatives of different professions, and through their social networks they have an opportunity to make the input in

the municipality development. Here is the example of direct involvement into the creation of strategic planning for DMO.

All MRs shared with their future plans on collaboration with stakeholders. Majority admitted: "We have to take our stakeholders closer". One MR noted: "And I think we could ask them more what they want. We could be better at this point. Now we are just doing our strategic plan and then we just tell them what we are going to do this year". So, several MRs after interview agreed that they would need to try to involve local residents as destination stakeholders into their activities for strategic planning.

After analyzing different forms of engagement of local residents, it is possible to define their *level of involvement* in Scanian DMOs' decision-making and strategic planning. Arnstein's ladder of participation (1969), revised by Green & Hunton-Clarke (2003) was used for this estimation.

So, considering the information provided on different forms of engagement with local residents, it can be concluded that their level of participation is mainly informative (Green & Hunton-Clarke, 2003). Their role as stakeholders can be defined as passive on this stage, since it consists mostly of just receiving information. For example, all DMOs are marketing and announcing special events like festival, some DMOs practice communication of their strategic plan to local residents. Only one DMO created special network of ambassadors to work for the city development plan. The role of local residents as stakeholders mainly is to receive the information through the Internet, newspapers. However, they are not actively engaged into the strategic panning of DMOs.

Local residents still have an opportunity to influence DMOs through the Internet or through direct contact. Sometimes residents are engaged to the certain extent sometimes in some specific projects mentioned above, when their opinion is asked. MRs recognize the important role of local residents as destination stakeholders, therefore DMOs are making sure that residents feel good and encouraging them for the participation. So, Scanian DMOs have control over the engagement processes.

In one municipality, which employs its local residents as ambassadors, the higher level of consultancy participation is possible which coincide with the higher level of engagement (Green & Hunton-Clarke, 2003). Local residents are invited to make proposals for the development; however, DMO is free to decide themselves if they are ready to fulfill stakeholders' aspirations.

4.1.6. Summary

In this chapter it was presented how the work of Scanian DMOs on their strategic planning is organized. It was investigated how different stakeholders and particularly local residents are included in DMOs' activities. It was found that municipal DMOs work in collaboration with each other and Tourism in Skåne in order to create their strategic planning, but every municipality is responsible for the creation of their own strategy. It means that every municipality decides on which stakeholders they want to include into the collaboration. So, MRs who were interviewed are DMOs' employees who have the responsibility for the collaboration with different stakeholders groups.

Stakeholders approach is recognized as a management tool by Scanian MRs. However, it is not really implemented in practice. It fails already on the stage of the recognition of organizations' stakeholders. The most significant stakeholders for DMOs' are local businesses and municipalities. MRs noted that it was hard to consider all stakeholders' interests on practice especially in conditions of limited time and budget. Yet, MRs acknowledge that local residents have legitimate interests. Majority of MRs emphasized that it would be good to include them more practically in DMOs strategic planning, however, these thoughts were on the level of ideas. Limited amount of engagement forms with local residents exist in practice since DMOs do not recognize them as their significant stakeholders.

So, the theoretical understanding of stakeholders approach goes against what is implemented on practice in the province of Scania, because the integration of all stakeholders' interests is not reflected in strategic planning. Activities of DMO can not really be allied to the implementation of stakeholders' theory since the economic factor impacts on the choice of stakeholders (in this case - shareholders). Local businesses and municipalities are chosen as most significant stakeholders of DMO since collaboration with them brings certain benefits.

DMOs are using different strategies to approach their relationship with local residents. Some municipalities are more active and apply involvement strategy; however some municipalities apply defensive strategy and do not want local residents to participate in strategic planning at all. Here is the proof again on practice that interests of local residents as a stakeholder group are intentionally concealed by these DMOs. Thus, the main role of DMO in the scope of stakeholder concept which is "to act as a coordinator among stakeholder groups in order to trigger their integration in the planning process and to manage their interests for the common good" is not implemented on practice in the full sense, since local residents' interests are missing in the strategy.

Local residents are perceived by MRs mostly as a component of the destination. Looking at local residents from this perspective, it can be understood that local residents are ones, who constitute the destinations – they are involved into the local businesses, authorities, they are visitors of attractions and customers. So, destination would not exist without local residents.

Since DMOs tend to work as companies, local residents for half of MRs are not the target group, so they do not develop any specific forms of collaboration with local residents. There are no special programs for their engagement. Mainly they are limited to the contemporary means of communication technology. Yet, there were named couple of projects that local residents can be part of on practice.

All MRs have taken initiative to offer something to be done for the local resident's sake, however, it was hardly delivered on practice. Mainly it happened because of financial reasons and the reluctance of the higher level authorities. It seemed anyway that for all MRs the engagement of local residents was mostly a moral issue, something right to do. However, they still have in mind ideas of what could have been done and think that it's important to inform authorities even more about the value of tourism. MRs tend to shift the responsibility for the local residents' involvement on the governing structures in municipalities or on other departments. Yet, the structure of tourism industry organizations was specially investigated in order to prove that it is exactly the level of local municipalities which is responsible for collaboration with different stakeholders and their inclusion into the strategic planning. Thus, it can be said that an absence of structured understanding of responsibilities on different levels of tourism management, constrain DMOs' performance which is directed on collaboration with different stakeholders.

All MRs emphasized that it is hard to engage local residents on practice. Yet, some concrete examples were discussed and considered. So, the level of their practical involvement was defined. According to Green & Hunton-Clarke (2003) the informative level of participation can be allocated for the local residents in Scania. Mostly, DMO involve local residents from time to time to make some kind of temporary investigations just to get the justification of their decisions. So, local residents have limited influence on DMOs' decision-making and on processes of strategic planning.

4.2. The Local residents

In this chapter the results from interviews with eleven local residents in Scania will be presented. The semi-structured interviews with local resident are descriptively analyzed in order to facilitate answering the research question: *How the Scanian local residents as destination stakeholders are engaged into DMOs' strategic planning?*

Local residents' perspective is the second perspective that was taken into consideration, since it is important to consider local residents' attitudes and opinions solemnly in order to reveal correlations with the MRs perspective provided earlier. It was emphasized earlier in the theoretical part that local residents are widely considered as one of the most important stakeholders of the destination (Buhalis, 2000; Freeman, 2010; Ritchie & Crouch, 2003; Sheehan & Ritchie, 2005), so their perception of DMOs is crucial. Moreover, it was found out in the previous empirical research that the external connections of DMOs are extremely

important and if DMO is not able to manage the relationship with local residents, local residents can constrain the development of the destination in a long run (Bornhorst et al., 2010).

It is quite usual that specialized academic research concerns general attitudes of local residents towards tourism development (Gursoy & Rutherford, 2004; Vargas-Sanchez et al., 2011); however their perceptions towards responsible actors like DMOs were not previously in the focus of academic research. So, it is significant to find out how local residents perceive DMO as an organization. Otherwise, this paper would have been rather one-sided if only the opinion of DMOs had been considered.

In order to draw conclusions it was also important to examine how local residents in Scania perceive DMOs' legitimacy and if they recognize themselves as DMOs' stakeholders. Their level of engagement was also in focus – to which extent they are willing to participate and if they consider their current level of engagement appropriate.

The sequence of data analysis is mainly following the order of interview guide questions as in the previous chapter to facilitate the logic way of narration. The specific pieces of information from local residents were collected during interview in order to provide the general conclusions (Smith, 2010). Moreover, no particular model was provided in the theoretical part, rather then it was attempted to collect local residents' perceptions in order to provide a general attitude.

4.2.1. Attitudes towards tourism in Scania

The first question to local residents was about their general thoughts and attitudes towards tourism in Scania. They were free to express themselves, what are first associations which come to their mind when they hear "tourism in Scania". That was done in order to make the interview atmosphere more relaxed and to facilitate the feeling of informal dialog, when the respondents should feel that they can just express their opinions in a natural way.

Mostly, local residents associate Scania with its nature, majority of respondents emphasized that Scania is surrounded by sea and has coastline on the three sides of the province. "Here in Scania you can feel wildness, surrounded by lots of fields and beaches," – as one respondent said. Another interviewee proclaimed: "People say that here in Scania you can see all kinds of things you can see in Sweden. We have all kinds of landscape – sea, coast, lakes, fields, forest and hills in the northern part." Majority of respondents mentioned several nature reserves, the unique Scanian zoo with fauna of Nordic Countries and Österlen area. They remarked also that the Scanian natural resources facilitate the development of nature-oriented activities such as hiking, trekking, canoeing, horse riding, sailing and diving. Moreover, the Österlen area also attracts art interested visitors.

Some residents emphasized also that there are couple of bigger cities, such as Malmö, Helsingborg and Lund, which have beautiful architecture and historical buildings and it is attracting tourists, according to their opinion. Ystad, Simrishamn, Landskrona and Ven were recognized as nice coastal cities where it would be pleasant to spend a summer day for a tourist. Majority of respondents believed that tourists with different demands could find things for them to do.

The closeness to Denmark and Copenhagen in particular as well as to Europe in general was noted as an advantage in Scanian geographical location. Many interviewees felt that the geographical position of Scania is beneficial, which facilitates the attraction of tourists mainly from Germany, Denmark, who are coming to Scania for summer and live in own summer houses.

Many respondents like to spend their spare time in Scania, doing different kinds of activities. However, a couple of respondents was mentioning that they have lived in Scania for all their lives, so they have seen everything in this area: "I don't see anything new and exciting for me in Scania, but there are definitely many things to do for tourists."

All respondents were assured that the destination development, and in particular tourism development is good for the province of Scania. Everybody noted the economic aspect of development. Incoming tourists are mainly associated with profits for the area. As well as tourism as an industry is creating jobs for local residents. The recognition of various positive impacts of tourism gives the foundation to suppose that residents have a positive picture for tourism industry because they recognize positive impacts (Gursoy & Rutherford, 2004).

Incoming tourists were also associated with different cultures, so the cultural exchange processes would be conditioned in the province. "It is always nice to meet new people", – mentioned one respondent. Nevertheless, another local resident mentioned: "It's not so nice when it's crowded", but immediately added: "But I don't think that tourism in Scania can grow to the scale of mass tourism". Several respondents noted: "It's nice when in summer there a lot of people in the city, it feels lively".

However, some interviewees named environmental impacts such as pollution, littering, and the increased amount of cars. "The more people we have in a place, the more they will tear down the nature," – mentioned one respondent, but added that since here are not so many tourists, this environmental impact can't be counted as strong. Yet, some of interviewees could recognize it as a potential problem.

This question showed the general attitudes of residents towards the tourism development. So, it can be said, that all respondents reckoned that there were a lot of different activities to do in Scania. Mainly nature-oriented activities were mentioned, but also city tours and visiting of different kinds of attractions. Local residents also recognized good impacts of destination development and have generally a positive perception of tourism. All respondents held the

opinion, that tourism industry brings economic profits to the province as well as cultural exchange.

It can be noted that resident attitudes towards tourism are dependant on the impacts of the tourism they have experienced (Richins, 2009; Nunkoo & Gursoy, 2012; Vargas-Sanchez et al., 2011). Since no one was ever exposed to negative impacts of tourism development, some could have only thought of environmental impacts, all respondents support tourism development. For this reason, social exchange theory was taken in this paper as a possible explanation of local residents' perceptions of DMOs' performance.

The understanding of local residents' attitudes can be crucial for achieving the sustainable development of a destination in a long run. This is exactly what stakeholders approach is aimed for. It could be an advantage if DMOs take into account this understanding in their practices when they are mapping out the engagement of local residents as destination stakeholders in a strategic plan.

4.2.2. Awareness of DMOs

All local residents assumed that the level of tourism development was rather high in Scania. One respondent mentioned: "They are creating nature reserve, beaches, and conditions for tourists to come and visit us, so there would be things to do. I can observe change." Majority of respondents noted that the tourism development is definitely going forward: "Before we didn't hear so much about it as now." One interviewee noted: "You can read and hear about it a lot more than before". It means that the awareness of tourism in Scania is growing.

One respondent reckoned that in their municipality they have all standard things to offer like guided tours, but she also believed that: "The DMO is doing new things all the time and working a lot to get people to come here." Another local resident mentioned: "There are definitely more tourists coming and that's why they [DMOs] are putting more and more money in tourism projects". Another interviewee said with delight: "I think they are doing brilliant marketing of Scania to show to the public what they [as a destination] can offer." About the activities that DMOs are occupying with, majority of local residents thought: "In general, Sweden wants to have more tourists".

On the question what kind of organization is actually responsible for tourism development, all local residents answered that it was municipality. Half of respondents meant also Swedish Tourism board [VisitSweden] and tourism offices. However, only a couple of respondents could definitely say that there existed the destination development department in their municipality, whose responsibilities include tourism development. And only two out of eleven interviewees knew about Tourism in Skåne as an organization, which promotes tourism in Scania.

Majority of the respondents were aware of tourist offices in their municipalities. Half of the respondents have been there and got some kind of information. One respondent noted: "It's always nice to find out what's new going on in our municipality and nowadays it's so easy to check it out on Internet". So, it can be said, that although not every local resident were interested about tourism information, everyone knew where to find it – either in tourist office or online.

Quite low level of awareness was discovered when it was asked about destination/tourism development projects. Respondents were not able to name any tourism related project. Only after prompts, several interviewees recognized National strategy for the tourism development and a couple of province development projects. However, most residents recognized a couple of big events in Scania, such festivals as Helsingborgs Festivalen, Landskrona Karnevalen, Sommarlund, Malmoscen ongoing during the summer. Couple of people mentioned local development projects in the municipalities, which can be also counted as affecting tourism. Those respondents, who were not aware of any projects or events said, that in case they need the information, they can easily find it on Internet, they were just not interested.

Local residents were not really aware of what kind of organization stands behind the tourism development; however they were assured that it is municipality that is responsible. Majority of respondents were assured that there were professionals who worked in DMOs. One interviewee mentioned: "I think they are aware of how to handle tourism, since there are no bad impacts. And it's no mass tourism." All respondents looked forward that DMOs considered wide range of stakeholders' interests.

Here the issue of legitimacy of DMOs was involved into the discussion. According to Suchman (1995: p. 574) legitimacy is referred to as "a generalized perception or assumption that the actions of an entity are desirable and proper". Elbe et al. (2009) and Phillips (2003) argued that the perception of DMO as a legitimate side by stakeholders is vital. So it can be said, that all Scanian DMOs are having good reputation among local residents as from destination stakeholders and recognized as legitimate bodies.

Yet, it seemed like for local people it was a bit confusing to distinguish activities of DMOs and their primary goal as development of Scania as an attractive tourism destination with the general strategies for the province development. It was mentioned before, that in Swedish municipalities, departments of economic development and tourism development are interconnected and usually their offices are working in strong cooperation. Possibly, exactly this reason is a condition for the uncertainty local residents' possess.

However, such a low awareness level of local residents should alert DMOs. Local residents are not are not really aware of specially structured tourism development departments in the municipalities. They are just noticing DMOs' activities and generally possess the opinion, that tourism in Scania is well-developed and that the development is ongoing. It can be concluded

that level of awareness of DMO that local residents possess is rather low, however, it seem not to reflect on their perception of DMOs' activities and attitudes toward tourism in general.

4.2.3. Local residents as destination stakeholders

The objective of the research was to explore whom local residents consider to be the destination stakeholders and to see if local residents identify themselves as such. Freeman's (1984: p.46) definition of stakeholders – "any group or individual who can affect or is affected by the achievement of the organization objectives" was used in order to provide the explanation to local residents who were interviewed.

The majority of respondents named local businesses as most significant stakeholders of DMOs. "Hotels, restaurants, tourist attractions are definitely primary DMOs' stakeholders." Half of respondents mentioned also political leaders in the municipality, municipal tourism development departments. Such allocation finds the reflection in salience theory by Sheehan & Ritchie (2005: p.727).

Some interviewees mentioned that stakeholder can be "everybody who lives here is involved" or "whoever who wants to be with… those who are ready for voluntary discussion and work". "Maybe those, who have something to offer, who have ideas, social networks, who could help in some way." In this case local residents also identify the same thing which was mentioned in DMOs' perspective – the collaboration for the profit sake. One respondent was sure: "They [DMO] are trying to get people they could something from, who they can use to make their organization stronger". It refers back to the reasoning which kinds of stakeholders can be considered as most significant ones.

However, not all the interviewees initially identified themselves as a destination's stakeholders. But when they were specifically asked about it, all respondents mentioned that they consider it very important for DMOs to ask for local residents' opinions: "People are part of attraction, if there were no people, there would be nothing to visit."

All the respondents after prompt could recognize themselves as local stakeholders. One respondent mentioned: "Local residents in general may be not the primary stakeholders, but they have a right for sure". Such a statement witnesses that local residents reckoned that they were considered as legitimate stakeholders by DMO. And, as a part of destination, which is managed and marketed by DMOs, they feel that they have a legal right to be stakeholders. Applying the notion of legitimacy to this particular context of relationship between DMOs and local residents the sense of dualism is appearing. It was already mentioned above that according to Elbe et al. (2009), once the organization is perceived as legitimate, stakeholders are willing to have a recognized legitimate stake in it.

One respondent noted: "Local residents are a destination's stakeholders because everything has to do with local residents. It's people who are taking care of the park or restaurant or working for the governmental organization". So, local residents indirectly realize that all stakeholders are interconnected and that destination can be represented as a network of interconnected stakeholders (Aas et al., 2005; Sheehan et al.,2007). Sheehan & Ritchie (2005) argues also in their research that there exists the possibility of belonging to multiple groups of stakeholders. So, approaching the issue from this perspective, local residents are in overlapping groups of stakeholders, indeed, which makes the scheme of stakeholders even more complex.

Many respondents noted: "If they [DMO] is going to change something in our area, so local residents should definitely be stakeholders, the first ones to be asked." "It's our city, it's we who live here," – added another respondent. It means that local residents associate themselves with the destination. They understand that it will be them, as organization's stakeholders who can be affected by DMOs' actions. So, a couple of respondents offered to provide local residents with more information in order to avoid conflicts.

It also can be noticed, that nobody was exposed to negative impacts of tourism development directly. Everybody was holding positive attitudes towards development; yet, no one has a special interest in tourism, so no one has ever taken the initiative for the dialog with the organizations like DMO. One respondent mentioned also: "I think that is DMO, as an authority, that has to initiate the dialog with residents. It would be interesting in getting information from them about their activities."

Several interviewees mentioned: "Local residents have a lot to say, but when it's coming to action, it's hard to involve them on practice." So, they realize the difficulty of involving local community in the strategic planning. Yet, just three of eleven respondents participated once in vote in the municipality concerning the development plan by chance. Others have never participated and never were involved in these kinds of activities. However, majority of respondents meant, that if authorities were going to change something radically, they would have to find the way to contact them, as it was mentioned above.

Arnstein's ladder of participation (1969) was considered in the theoretical part. All respondents were offered two potentially possible situations which correspond with different levels of participation. First situation coincides with the informative level of participation. For example, the respondent received a letter from DMO with a questionnaire about destination/tourism development. All respondents said that they would have spent couple of minutes answering questions. "Because it's my municipality, I am as a citizen responsible for the decisions for future," – noted one interviewee. Three of eleven respondents expressed the thought: "This could be really interesting to participate in, and it is good way for DMOs to make sure local residents support their projects". All eleven local residents confirmed that they would spend their time answering the questionnaire in case DMOs were interested.

The second potentially possible situation coincided with consultative level of participation (Arnstein's ladder of participation, 1969). For example, residents were informed that there would be a meeting somewhere on the common place in the centre of municipality. The meeting is devoted to the future development of the municipality, where DMOs' representatives want to provide residents with information, concerning their strategy for the tourism development. Local residents would be encouraged to participate and to express their opinions. Only one was ready to attend such kind of meeting: "I would go there to listen and to get more information about what is going on. And if they ask for ideas how they could improve this overall picture, I would contribute with what I have."

So, local residents recognize themselves as legitimate stakeholders. It is conditioned by the fact that they recognize themselves as a part of destination. Yet, all respondents admitted the fact that it might be pretty difficult for responsible bodies to include the local community in the strategic planning activities. Majority of interviewees meant, that they would need to be included in case of some radical change, and they would be interested into the participation then. All respondents were interested to participate by answering the questionnaires and confirmed that they would do it with interest. The fourth part of all respondents would want to be actively involved in DMOs' activities.

4.2.4. Summary

The local residents' perception of Scanian DMOs' performance were presented. Respondents possessed the opinion that tourism in the province of Scania is highly developed. Local residents also recognize positive impacts of tourism development such as economic and cultural and therefore their general attitude towards destination development is optimistic.

Majority of the respondents were aware of tourist offices in their municipalities and made a guess that it was municipality first of all which is responsible for tourism development in Scania. However, the level of awareness about development/tourism projects is rather low. It is supposed that the lack of familiarity with development proposals among local residents can cause unwillingness to actively participate. Yet, one forth part of respondents were willing to participate in different projects and all interviewees confirmed that they would want to get more information and answer different kinds of questionnaires about the development of their area. It can happen that once people would be aware of projects, they would be more willing to be an active part of it.

Although local residents were not really aware of organizations which stand behind tourism development neither in Scania nor in Sweden, they confirmed organizations' legitimacy. They were assured that professionals work for this kind of organizations and that they were considering all stakeholders' interests.

Majority of interviewees present themselves, the local businesses and DMOs as actors involved into destination development. All respondents identify themselves with legitimate stakeholders of a destination. Firstly, for the reason, that they are a part of destination and there would be no destination without local residents. Secondly, they reckon that everybody in a bigger or smaller extent has contact with tourism, some more formally through jobs, others casually through meeting and interacting with tourists on the street.

The questions about the degree of local residents' participation in DMOs' decision-making or strategic planning showed that majority of local residents could be actively involved in these kinds of activities. However, the lack of awareness of tourism development projects can be the reason which cause this unwillingness were discussed above. Mostly, respondents mentioned, that they would not be against to obtain more information from DMO.

Two potential cases were offered for respondents for consideration if they would participate. The situation with questionnaire and with the meeting in the common place represented two different levels of participation. Everyone said that would spend some time answering questions, but only one mentioned that it sounds interesting to participate in the consultative meeting.

These two virtually possible situations demonstrate the level on which local residents are interested in the actual participation. Consultative participation considered as demanding an effort and special interest in tourism. Possibly therefore local residents were not ready to get involved into it. Local residents are not ready to participate in activities which demand an effort and are time-consuming.

4.3. Findings

Six semi-structured interviews with municipalities' representatives (MRs) and eleven personal interviews with local residents in Scania were descriptively analyzed in order to consider two perspectives – managerial perspective which DMOs represent and local residents' perspective as stakeholders of a destination. The aim was to explore how DMOs, presented by MRs, and local residents, as stakeholders of destination, perceive each other and how their collaboration works on practice. In this section, findings and conclusions are generalized.

Stakeholders approach is recognized as a management tool by Scanian MRs. However, almost all DMOs are close to fail its implementation it on practice since there is economic factor which is prevailing, while choosing the most significant stakeholders by Scanian DMOs. Consequently, interests of different destination stakeholders are considered to the different extent. Yet, MRs admit that it is essential to consider local residents as destination stakeholders because they possess the legitimate interests. By MRs local residents are perceived mostly as a component of the destination which tourists see when they get to the place. MRs confirmed their importance, since local residents play different roles in the local

businesses, authorities, they are visitors of attractions and customers. Local residents are involved in different stakeholders, since the structure of a destination is complex and stakeholders groups are overlapping.

Different practical measures exist now for the engagement of local residents. They include mainly communication means such as brochures, newspapers and the Internet. Ambassadorship programme exist in Landskrona municipality and innovative tourism projects in Malmö. It can be concluded that despite the evidence, that local residents are recognized as destination stakeholders by MRs, other DMOs do not to favor deep engagement with local residents, it tend to be rather informative in style. The engagement of local residents for MRs is a moral issue, something they would feel right to do. Yet, due to the difficult and costly ways to implement it on practice, no sophisticated ways of involvement exist. Thus, residents have limited influence on DMOs' decision-making and on processes of strategic planning.

MRs, who are directly responsible for the collaboration with different stakeholders' groups tend to shift the responsibility for involving the local residents into the strategic planning to other authorities and politicians. However, it was indicated, that their position is exactly the level where the strategic decisions about collaboration with different stakeholders can be taken.

Local residents' perception of Scanian DMOs' performance tend to correlate with their perception of tourism development in Scania. Local residents recognize positive economic and cultural impacts of tourism development; therefore their general attitude towards the industry and to organizations which are responsible for this is affirmative.

Although local residents were not aware of which organizations are exactly responsible for the tourism development, they confirmed organizations' legitimacy. They believed that activities which are taken for the tourism development are proper and that all stakeholders' interests are considered. It evidences that attitudes to tourism development creates the attitude toward responsible bodies and facilitates the acknowledgement of their legitimacy.

So, once the organization is recognized as legitimate, local residents identify themselves as legitimate stakeholders of a destination. Local residents perceive DMO as legitimate body through their positive attitude to tourism industry. So, they recognize that they have a legitimate stake in the organization. Firstly, it happens for the reason that local residents assume that they are inherent part of destination. Secondly, because local residents reckon that everybody in a bigger or smaller extent has contact with tourism, some more formally through jobs, others casually through meeting and interacting with tourists on the street.

Local residents in general are quite interested in the processes of destination development, but not in any kinds of participations which are time-consuming. They see positive results in their province, and there are no conflicts, so they do not feel the necessity for their active participation. Yet, it was indicated that it can be caused by the lack of information provided by

DMOs and the low level of awareness of DMOs' activities. Majority of respondents confirmed that they would want to obtain more information form DMOs.

Thus, it can be noticed, that DMOs and local residents perceive the significance of different groups of stakeholders in the same way. It's not something unusual for residents that DMOs do not consider them as most significant stakeholders. Local businesses and municipal authorities are assigned to play the most important role for DMOs; nevertheless, local residents perceive themselves as a stakeholder group. Not all MRs agreed to perceive them as stakeholders from the beginning, however all MRs agreed to do so after prompt. In the end, all DMOs' representatives agreed that local residents have legitimate interests in the tourism planning.

Issues of legitimacy can be approached from two perspectives since the notion of legitimacy is distributed on both sides of this relationship. In order to be able to execute their mission, DMOs have to be perceived as legitimate by its stakeholders. In this particular context, DMOs have support of local residents in default. So, DMOs in their turn, in general also admit that local residents are their legitimate stakeholders, yet not the most significant ones – the informative level of engagement was identified.

As it was mentioned above, the interviews with MRs disclosed that DMOs have no special strategy for engagement local residents. For this reason it was so important to investigate if local people feel dissatisfied with it. Findings revealed that no negative attitudes towards DMOs activities exist. However, it was supposed that rather low level of awareness can be the reason for it. Interviews revealed that people are not so aware of ongoing projects, so possibly exactly therefore, they do not feel the lack of participation. Moreover, majority of respondents said that they could have received more information from DMOs and it would be interesting for them. Thus, it was recognized that Scanian DMOs could put more effort in the development of the local residents' engagement.

5. CONCLUSION

This research has been an attempt to address to the lack of studies that explore the involvement of local residents as destination stakeholders in DMOs' activities. The first perspective of the research was DMOs' perspective. It was examined how local residents are considered to be legitimate or significant stakeholders of the destination. Local residents' perception of DMOs' performance was taken as a second perspective for the research. It was important to consider both perspectives in order to fulfill the aim of the research – to explore how the relationship of DMOs and local residents as their stakeholders are built up. The "ladder of participation" was applied as scale in this context in order to measure the local residents' level of involvement.

As the research objects activities of Scanian DMOs and Scanian local residents were chosen. As the first perspective, the work of Scanian DMOs on its strategic planning was explored as well as their views on different stakeholders, on local residents, in particular. As the second perspective, the local residents' perception of Scanian DMOs' performance was investigated.

The theoretical framework for the research was presented in order to create the holistic understanding of phenomena. In the theoretical part of the research, the concepts of stakeholder approach for DMO was considered in combination with ladder of citizens' participation. Key concepts of stakeholder, stakeholder collaboration and level of participation were defined to refer to them throughout the study.

The qualitative method of personal interview was chosen in order to give the insights from both perspectives in order to facilitate the analysis. Personal interviews with MRs were conducted in order to explore the work of Scanian DMOs on its strategic planning and how different stakeholders are engaged into it with particular attention to local residents. Local residents' perception of Scanian DMOs' performance were also investigated through personal interviews with Scanian local residents to facilitate the understanding of how the relationships between these two groups are built up. The investigation of these two perspectives was seen as objective for the research. Three sub questions were formulated at the beginning of the research, which helped to explore the topic gradually and provide the answer to the research question.

The research question was: *How the Scanian local residents as destination stakeholders are engaged into DMOs' strategic planning?*

This paper argues that DMOs tend to perceive groups of stakeholders differently, depending of their level of significance towards the organization. Thus, DMOs do not favor the deep engagement with local residents as their stakeholders; however admit that they have a legitimate interest in DMOs' activities. The examples of local residents' involvement are illustrated through instances in Scanian province. Most standard means are widely used by Scanian DMOs in order to communicate the information – brochures, newspapers, magazines,

the Internet sites, social webs. No special strategies for the engagement with local residents were detected. Yet, a couple of municipalities practice ambassadorship programmes and involve local residents in innovative tourism projects. Nevertheless, the general level of participation of local residents in Scanian DMOs activities was estimated as informative. Arnstein's ladder of participation was applied for the first time to the context of local residents' participation in DMOs' activities.

Local residents' attitudes towards DMOs can be characterized as affirmative. It is assumed from their positive attitudes to tourism and support for tourism development activities in general. DMOs as organizations, which are directly responsible for tourism development, were considered legitimate. And since they believe that organization is legitimate, they also believe that DMO is executing its activities in a proper way. It was mentioned that it is done "in default" by local residents due to the lack of awareness of DMOs and development projects. Local residents view themselves as essential stakeholders of DMO and their interest in participation in particular activities was rather high. All of the respondents were satisfied with their informative level of involvement and were sure that they can easily be up-to-date with coming activities through the mean of modern technologies in case their interest in participation arises. Nevertheless, majority of local residents showed their interest in a stronger participation and receiving more information from DMOs.

The engagement of local residents in Destination Management Organizations' activities was the topic of this research. By analyzing how local residents are engaged in DMOs' strategic planning on the particular example of Scanian province, hopefully, the contribution was made to both theoretical and practical knowledge about the local tourism management. The additional section of recommendations is provided after conclusion, so that DMOs could draw useful thoughts and ideas out of this research. There are definitely more subjects to be investigated in this direction of social research – they reflected in research critique part.

5.1. Research critique

Tourism research as all research is about asking and answering questions. Research questions involve the creation of new knowledge (Smith, 2010). The issue of validity is important while discussing the grounding of qualitative research (Flick, 2007). The question of validity can be summarized as the question of whether the researcher sees what one think one sees. It is difficult to specify the link between something that is studied and the version provided by the researcher.

In this particular case it was mentioned that there was quite little research done earlier on local residents attitudes towards such bodies as DMOs and ways local residents can be engaged in their practices. For this reason, it was hard to decide how to approach local residents' perceptions and prepare somehow in advance in another way then asking directly "Who do you think are DMOs' stakeholders?" or "Who do you think DMOs are working with for the

tourism development?" Specifically, these responses about local residents' familiarity about DMO and its stakeholders were not expected and were not planned in advance. The theoretical concepts had to be explained appropriately to respondents in order to get the proper answers. Through the discussion the low level of their awareness of DMO was found. It was honestly discussed in the research results. Thus, even these negative outcomes can make the contribution to the knowledge about the local tourism management.

Several limitations of this research can be allocated. Firstly, application of chosen theoretical concepts can depend on the geographical and economic situation of a region. The current research was carried out in Sweden, which is developed country with advanced economy according to the classification of the IMF (International Monetary Fund, 2012). For this reason, the results can be generalized and applied to the similar countries' contexts. However, it would be interesting to carry out this study in a context of another country. For example, in a context of developing economies, it could be vital to consider interests of all stakeholder groups including local residents who could bring the valuable insights.

Secondly, the insights of collaboration are provided which were found out from interviews with Swedish DMOs in the particular province of Scania. It would be curious to see how the processes of engagement are happening in other countries under other circumstances.
Thirdly, the sample of local residents was rather small in this research. However, there was an attempt to make it varied with inclusion of both men and women in different age groups. Yet, it would facilitate the findings if greater sample could be collected and analyzed through means of SPSS. If the greater sample was present, the quantitative study could have been done.

Fourthly, consequences of tourism development concerning local residents' attitude comprised only of positive and negative impacts. However, the impacts could be categorized differently, for example, in environmental, economic, cultural, which could probably change a bit the general attitude towards tourism. Future research could shed light on these aspects.

5.2. Recommendations to DMOs

Six interviews with DMOs' representatives were conducted during this research. It was reckoned that it would be interesting to MRs to hear an opinion about DMOs' practices and tourism development in general. Therefore, this concluding section of recommendations was added. Yet, it was not the initial goal of the thesis to provide a consultative advice.

During this research it was found out that majority of Scanian DMOs implement a range of activities to involve local residents in strategic planning. However, they do not have any specific strategy to engage with local residents as their destination stakeholders. Thus, the level of local residents' participation in DMOs' strategic planning was defined as informative.

Local residents have a positive attitude to tourism development in general. Yet, it was revealed that local resident possess rather low awareness about DMOs and destination/tourism development activities. DMOs should take this message about local residents' perceptions into the consideration. This kind of positive attitude to industry can push local residents to participation if they were aware of DMOs and ongoing project better. So, DMOs should try to be more visible as an organization and to increase the level of awareness about their activities among local residents. The lack of familiarity with development proposals which can be observed now can cause unwillingness to participate. It can happen that once local residents would be aware of projects, they would be more willing to be part of it.

It is also considered important to take into the consideration what kinds of participation local residents are ready for; otherwise all the efforts of DMOs would be in vain. Local residents are evidently not ready to participate in activities which demand an effort and are time-consuming. Therefore DMO should try to find the right balance in the selection of engagement forms with local residents. Ideally, such kind of engagement would be more than informative, it should consider local residents' interest and not to exceed the limited amount of resources possessed by DMO for the implementation.

It can be an important indicator for DMOs – to realize to what extent their stakeholders are interested into the participation. Based on the knowledge what form of engagement suits the best to local residents, DMOs could possibly improve its performance. For example, all interviewees were sure that they can find information on the Internet. The opportunity of addressing to DMOs certainly exists. Thus, DMOs would probably be interested to consider other ways of involvement of local residents which does not comprise a lot of effort from local residents. With contemporary means of technologies there can be the way more interesting forms of engagement found than information newsletters. Even the arrangement of some kinds of competitions online could warm up the interest of local residents as destination stakeholders.

Thus, as main outputs of the research, it can be recommended to DMOs to consider the stakeholder approach more thoroughly. There are important implications in it that could be implemented on practice, which will facilitate the development of a destination in a long run. For example, the engagement with local resident as destination stakeholders could be considered by DMOs. People nowadays are travelling a lot, many of them are well-educated, so it can be supposed that local residents as stakeholders of a destination can provide valuable insights, if they were better informed and their level of participation was higher.

DMOs could try to include local residents who are interested in tourism development for the deeper level of involvement such as consultative participation. Then local residents could have an opportunity to participate, for example, in meetings or workshops. It is always good to have plurality of opinions, so DMOs would have a chance to listen to the variety of attitudes. DMOs does not lose anything in this case, they can always decide themselves what offers to take on practice. It can happen that the results of consultation will provide the organization with valuable insights into problems which it did not recognize earlier.

Certainly, the choice of stakeholders ought to be done in a rational way, but DMO, as a public organization, should not forget about its moral obligations. DMOs should try to do the greatest possible job to involve interests of all stakeholders, particularly local residents. It is offered that the forms of their engagement ought to be reviewed in order to raise the levels of local residents' participation. However, DMO should avoid implementing the superficial forms of engagement, which will just manipulate the opinions of local residents.

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Appendix 1

The interview guide for Destination Management Organizations' representatives:

1. How is the work of DMO in your municipality structured?
2. How the strategic planning is implemented considering Scania?
3. What are the main goals of DMO?
4. Who does DMO refer to as their stakeholders?
5. How does DMO act in its specific role of initiating and developing co-operation among the destination stakeholders?
6. What does determine the significance of particular stakeholder interests?
7. Which groups of stakeholders are considered being legitimate?
8. How does DMO estimate the significance of local residents as destination stakeholders?
9. How does DMO manage the relationship with local residents?
10. Are there any strategies to encourage local residents' engagement?
11. How do local residents participate in DMOs' strategic planning?
12. What strategies are suggested for the future to enhance local resident involvement?

Appendix 2

The interview guide for local residents in Scania:

1. What are your first thoughts when you here tourism in Scania?
2. What do you think about tourists coming to Scania?
3. How is tourism developed in your opinion?
4. Do you know anything about organizations which work with tourism development?
5. Are you aware of any tourism development projects or strategies for tourism development?
6. Who is involved in tourism development planning in your opinion?
7. Who are DMOs' stakeholders in your opinion?
8. Would it be important for you to participate in destination development?
9. Would you take your own initiative to participate?
10. Two possible situations according to Arnstein's ladder of participation:
    a.) The situation with questionnaire
    b.) The situation with meeting in the common place