TOURISM PLANNING AND STRATEGY IMPLEMENTATION: PRACTICE IN MUNICIPALITIES OF LATVIA

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Abstract
The aim of this paper is to summarise the experience gained at different levels of tourism destination planning in Latvia, identify the problems encountered during strategy planning and implementation, analyse the causes, and search for solutions.

Theoretical aspects of the tourist destination planning have been extensively reviewed in publications, yet the research on what main problems planners have faced during the planning process, has been insufficient. In the last twenty years of Latvian tourist destination planning, at different levels, part of the plans were developed as documents; however, not all of them were implemented.

The qualitative research summarises the experience of municipalities and tourism destination planning in Latvia. The research results show formally drafted tourism development documents of different levels and types in Latvia conform to modern planning theory and practice. In some case’s even the latest knowledge and experience, create unique, innovative and competitive solutions.

Tourism planning at the local level is often a painful process which raises a number of unresolved issues and unimplemented activities. The most significant differences observed from a comparison of theory and good planning practices in tourism development planning in Latvia are that the planning process is implemented within the boundaries of one municipality without taking into account the larger boundaries of tourist destinations. The involvement of entrepreneurs has only been formal and major, large-scale investment projects have not been planned or implemented.

Key words: tourism planning, planning process, implementation.

Introduction
With the tourism industry returning to full-fledged international operations in Latvia in the 1990s, rapid tourism development began not only in the capital, but also in its regions. As tourism, especially international tourism, was a new economic sector in many places, the first tourism development planning documents were drafted. Drafting such tourism development documents in municipalities with little or no experience in tourism development (Inskeep, 1991) is a good way of defining key development guidelines, including all stakeholders, balancing demand with supply, optimizing benefits, respecting the interests of the local population and ensuring sustainable tourism. The first tourism development plans were originally developed as sections in integrated city and district tourism plans (Kuldiga District Tourist Development Plan, 1997; Rezekne Development Plan, 1997) or as separate documents (Aluksne District Tourism Development Concept, 1997; Jurmala Resort Development Strategy, 1997, Ventspils City and District Tourism Development Concept, 1999). Later (2004-2007), special tourism development and marketing strategies were developed by Liepaja, Cesis, Limbazi, Valka, Bauska and Jurmala (Klepers, 2012).

With the abolishment of districts following the administrative territorial reforms (2009), the first long-term and medium-term planning documents expired and new tourism development plans and strategies were developed. Pursuant to the Spatial Development Planning Law of the Republic of Latvia, sustainable development strategies, development programs, spatial plans, local plans, detailed plans and thematic plans are developed at local level (Saeima, 2011). Local governments have developed long-term strategies, development and action plans for tourism development. Development is planned in the long term (up to 25 years), in the medium term (up to seven years) and in the short term (up to three years) (Saeima, 2008). The Tourism Law stipulates that the competence of the municipality is to determine the development prospects of tourism and ensure measures for tourism development. To obtain resort status, a site must at least have a medium-term development plan (Saeima, 1998).

Cabinet Regulations No. 737 (Cabinet of Ministers, 2014) defines the process of drafting planning documents and the content of documents of different levels. It says that research as much as possible should be used for policy assessment. The development plan content includes: characterization of the existing situation, goals set and directions of action, measures developed to achieve the goal, their performance indicators, deadlines and institutions involved. The planning process also aims to identify problems, propose solutions and assess the potential impact of these solutions. The Development Planning System Law sets out 12 basic principles that reflect modern planning approaches: for example, the principles of sustainable development, openness, participation, monitoring, assessment and topicality (Saeima, 2008). Tourism guidelines (Policy Priorities) are defined in
the Sectoral policy guidelines for Local Governments (MEPRD, 2019). Thus, the country has established a good normative documentation base, which ensures drafting development plans of different levels and sectors, including the tourism sector, in accordance with the latest tourism planning approaches, including a local government oriented and sustainable tourism development planning approach (Hall, 2008; Yan & Morpeth, 2015; Cooper & Hall, 2016).

The aim of the research is to summarize the experiences of planning of tourism destinations at different levels in Latvia, to identify and generalize the problems encountered in the planning process and implementation of strategies. The main tasks of the research are: 1) to analyse the tourism planning documents of different levels and types; 2) to interview planning experts and gather their experience; 3) to identify the problems and challenges that may arise during the planning process; 4) to elaborate the recommendations for local governments to be taken into account when developing good, feasible tourism development plans.

Materials and Methods

A qualitative research design has been selected for the study. It analyses secondary data such as normative documents related to spatial and tourism development planning and policies, planning documents for tourism development of different municipalities.

As the need for a sustainable long-term strategy is defined at the national level, tourism planning also emphasizes the need for strategic orientation and involvement of various stakeholders in the planning process (Ritchie & Crouch, 2000; Simpson, 2001; Ruhanen, 2004), stressing both stakeholders’ impact (Dredge & Jamal, 2015), and the power relationship between stakeholders (Bowen, Zubair, & Altinay, 2017). Scholars analysing the modern planning process recognize the importance of cooperation between diverse stakeholders (Lin & Simmons, 2017), at the same time affirming that this is a complex negotiation and agreement process between the public and private sectors (Drege, 2006; Hall, 2008, Dapkus & Dapkute, 2015). In today’s global tourism, the competitiveness of destinations plays a significant role and it depends on a number of factors (Ritchie & Crouch, 2003; Crouch, 2010; Dwyer et al., 2009), among which networking, public and private partnership are stressed (Hall, 2008; Armenski, Dwyer, & Pavlukovič, 2017).

Some of the tourism development plans in Latvia have only been developed as documents and the planned activities have not been implemented or implemented only partially. For the enhancement of the planning and policy development process it is necessary to understand the course of the planning process, problems, complexity, get to know the success stories (Dredge, Jenkins, & Whitford, 2011), to ensure a more critical assessment of practice (Dredge & Jamal, 2015). When drafting new documents, it is important to understand the reasons why long-term or short-term plans for these tourist destinations have not been implemented. One of the challenges of Latvian tourism is to implement the latest strategic planning documents for tourism planning (Atstāja, Brīvers, & Līviņa, 2011).

The interviews were conducted directly as audio recordings. The average interview time – 1.5 hours.

The surveys sample was designed to identify those with varied and more extensive experience in tourism planning. Given the peculiarities of a small country and the limited number of experts, the sample is small – 14 interviewees (study participants P=14). Of the 14 interviewed persons, five are experienced tourism planning experts, three – regional tourism representatives (Kurzeme, Vidzeme, Zemgale) and six tourism planners who have participated in integrated development of regions and cities and tourism development planning in cities such as Bauska, Cesis, Jurmala, Kuldīga, Liepāja and Ventspils. In order to better understand the experts' experience in the planning process and planning results, the documents drafted by the experts were analysed. A total of 24 development planning documents of different levels and types were analysed. These include three Destination (Cluster) and Regional Tourism Development Strategies/Plans (for Gauja National Park, Kurzeme Region and Nature Park Ancient Park of the Abava River), 10 – Municipal Tourism Development Documents (Liepaja, Jurmala, Bauska, Salaspils), eight Local Government Integrated Development Strategies and Programs, and three Nature protection plans for territories developed between 2008 and 2017. Their relevance to the knowledge of tourism planning theory, normative documents, strategies, actions for their implementation were assessed.

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The interviews included questions about: 1) the planning process, its course and obstacles; 2) analysis of the situation and its reflection; 3) the definition phase of policy and actions and key challenges. The interviewees were not limited and could express their opinions and experiences about the successes and failures of individual case planning processes, the lessons learned during the process. The analysis of the results included problems that were repeated at least twice in the interviews.

Results and Discussion

Summarizing and analysing the responses obtained during document analysis and interviews, it emerged that similar problems exist in each of the three steps...
mentioned above (organizing and conducting the planning process, situation analysis and developing set of actions). They are further described in the analysis of results, explaining their possible objective causes and the importance of subjective factors in finding solutions to these problems in previous studies and recommendations.

**Planning Documents**

The analysis of the text and content of the planning documents shows that they comply with the requirements of the normative documents. In two cases (Jurmala and Bauska City), they are based on research carried out specifically for planning purposes. The analysed planning documents have been drafted in accordance with modern planning theory and practice, using in some cases even the latest knowledge and experience, creating interesting, unique, innovative and competitive solutions, products, for example, Gauja National Park Tourism Cluster development strategy. Several major tourist centres, such as Sigulda, Cesis, Ventspils, have no separate tourism development documents, as the development of this sector is integrated into the city’s overall development strategy and program.

**The Planning Process**

A common problem mentioned in the planning process was the limited time spent on drafting the plan. It is often too short to involve all stakeholders and discuss issues with citizens and so these two actions are often more formal. As one of the study participants noted ‘Plans often needed to be extended due to lack of time’ (P4). ‘There are situations where a lot of effort was spent on preliminary studies leaving not enough time for developing action plans’ (P8); therefore, in some cases (P2, P6, P7) the research process is carried out before the planning document is drawn up. ‘Time is always too little, but not more than six months should be scheduled’ (P2).

External consultants, often consultancy firms, who have developed similar plans, because of ‘their lowest tender bid’ (P1), are involved in the planning process, so there is a greater risk of getting ‘standardized’ (P11), less creative solutions. ‘The problem is procurement terms, which often do not allow the best experts to be attracted’ (P6). Several experts, analysing their previous experience, said that municipalities that have just formally complied with regulatory requirements have also received more formal planning documents; that ‘an unambitious development section can also be easily controlled by the commissioner’ (P11). In turn, several planners point out that the outcome depends on the professionalism and capacity of the local government planning department (P7) and the ability to define procurement terms and conditions (P4). Global practice shows that tourism development plans are drafted by experienced consultants, but in cooperation with public authorities and local government representatives (Inskipp, 1991), establishing tourism boards with competent leaders (Gunn & Var, 2002).

In Latvia, in order to avoid a conflict of interest, a public procurement with a set of requirements for the planning group, which may not include municipal representatives is announced. Therefore, the commissioner has to foresee a sufficiently long planning period (at least a year), as well as effective communication between planners and local experts, regular reports and discussions on planned activities during the plan drafting process to prevent standard, traditional solutions. It is acknowledged that the knowledge of local inhabitants and their desire to exert their rights is increasing (Xue & Kerstetter, 2017); therefore, the planning process schedule should ensure full-fledged involvement of the local community and not just their formal involvement.

It was identified that during the drafting of various documents, especially in big cities and regions, the institutions involved had differing interests, power and level of involvement in the planning process. ‘There are a lot of stakeholders in tourism that need to be taken into consideration, but we don’t know how to cooperate and forget important players’ (P7). This is particularly the case when different departments are involved (P2, P5, P6, P8, P9, P11) whose interests overlap, such as tourism, culture, sports departments, but are accustomed to operate only within their own functions and budgets. Some officials, departments, are still bureaucratic, unable to look at problems creatively, innovatively for common goals. It was also acknowledged during the interviews that in some cases, the human factor (P5) – formal or informal power, hierarchy, interests of individual officials, managers - played an important role in the planning process and results. ‘The most important role here is played by personal reasons, overlapping positions, historical resentment and even institutional resentment from the times of the USSR’ (P2). ‘In many municipalities, employees do not understand tourism at all’ (P3). ‘Officials misunderstand their importance and the regulatory framework is also outdated’ (P5).

As in all municipal processes, different political interests and lobbying were observed in the tourism planning process, especially in municipalities with a more diverse political spectrum, stronger opposition (P2, P6). Previous studies have highlighted the importance of power relations (Islam, Ruhanen, & Ritchie, 2017), but it is acknowledged that only clearly existing explicit power relations are described and deeper inherited political forces are not analysed (Xue & Kerstetter, 2017). That is why there is even greater need for involvement of locals who are familiar with and understand the complexities of power, especially the various informal leaders, the local undercurrents.
Tourism planning experts also admitted that it is still quite difficult to plan tourism destinations that are larger than one municipality (P2, P3, P5, P6, P7, and P8). There has been historically no or weak cooperation among municipalities, and even sometimes ‘historical resentment’ (P2). They have different financial situation (resources) and therefore it is also very difficult to raise finances and use them as efficiently as possible in the overall development of the tourist destination. ‘Many collaborative ideas are not implemented either because no one wants to take the initiative, or because there is constant criticism from partners’ (P11).

Discussions with entrepreneurs during the planning process revealed a significant problem such as lack of trust in the municipality, lack of leaders, sometimes scepticism that nothing would change, or reliance on the local government that everything it does is right. ‘There was scepticism among entrepreneurs about the possibilities to implement everything’ (P1). ‘On the one hand, our entrepreneurs are active, but on the other hand, if everything is developing positively, entrepreneurs are less involved and let the municipality do everything’ (P7). It was concluded that the older generation would prefer a centralised top-down planning approach and expect these plans to bring them tourist groups. Entrepreneurs also lack a broader view of the place as a tourist destination and a variety of factors affecting its development. Similar causes of tourism planning failure have also been identified by Ruhanen, analysing tourism planning documents in Queensland, Australia, as local destinations do not see development in the wider context (Ruhanen, 2004).

Currently, tourism enterprises in Latvian municipalities are micro, small and medium-sized enterprises, whose financial situation prevents them from joining major projects, implementing more creative and innovative ideas. ‘Latvian municipalities are not ready to promote innovation. In principle, no innovation that requires big investment is introduced’ (P3). It is a common industry problem that tourism companies are predominantly micro and small entrepreneurs who are primarily interested in solving operational problems and not in long-term strategies (Phillips & Moutinho, 2014). Expert interviews also confirmed the fact that success has been hampered by inadequate tourism terminology, differences in understanding terms even when speaking about the same type of tourism (e.g. health and medical tourism, MICE (meetings, incentives, conferences, and events) sector, culture tourism, etc.). ‘First of all, it is necessary to define terms so that everyone interprets things or tourism types the same way’ (P6). The current situation will be improved by the amendments to the Tourism Law, where it is planned to update the necessary tourism terms and concepts. The communication of the country’s long-term development strategy and its contents, and explanation of the role of each region and municipality can also help.

Situation Analysis

As already mentioned, it is necessary to evaluate the situation in the development plans and to build on existing or special research. Several problems have emerged in this area. Some experts had encountered a situation where the municipality had already drafted planning documents at the higher-level and hierarchy, whose goals, guidelines and strategies needed to be coordinated with action plans at the lower level. Difficulties arise when changes are needed in these higher-level long-term documents, but local authorities are reluctant to update and revise them, as their discussion and coordination requires more time. ‘It is all now tied to an investment plan if there is no activity, then no activity can be implemented’ (P3). In general, however, it is noted that the goals of the tourism plans are very humble, in some cases even ‘green or naive’ (P2). It was also mentioned that the municipalities had well-developed planning documents for the previous period with a clear purpose, vision, actions, but the results had not been achieved and there is a dilemma whether to attempt to achieve the same unfulfilled goals, or to develop more realistic, achievable goals that match the existing situation. ‘We often repeat, update plans, but don’t work with the real situation’ (P6). The authors believe that in such cases, the plan commissioners, municipalities, city councils should have a flexible approach both in relation to the predetermined deadlines for drafting the plan and to the documents in force.

All the experts acknowledged that local governments lacked long-term comparative tourism research, especially on significant sustainable tourism aspects such as tourist satisfaction, local and entrepreneurial attitudes towards tourism development and statistics at the local or regional level, including tourism business data. ‘The lack of data for tourism planning is a serious problem, as it is difficult to prove and plan things without data’ (P8). The data is either ‘exaggerated’ or modest because it does not show the ‘grey’ part of the sector (P3). ‘We need to use official statistics to refer to the source, but the locals then say the data is unreliable because a part of the data was not taken into account’ (P2). ‘There is a lot of data gathered by public authorities, but this data is not available to municipalities and businesses’ (P4). ‘If enterprises do not give us the data, then we do not have it’ (P6). Performance indicators are not being used in evaluating the implementation of previous documents and actions, for example, evaluation of the effectiveness of marketing strategies or campaigns. This problem is also present in other countries as the plans are based on traditional tourism development.
indicators (visitor number, lengths of stay, spending, etc.) and do not use sustainable development indicators and indicator systems (Ruhanen, 2004; Hanrahan & McLoughlin, 2015).

Almost all the drafted planning documents contain analysis of strengths, weaknesses, opportunities and threats (SWOT). And even the use of such a well-proven and popular method has highlighted some stumbling blocks. It turns out that the commissioners (municipal officials or officials) have not been critical enough in evaluating the resources of the municipality or tourist destination and their uniqueness. Sometimes they are too optimistic and do not want to see a critical assessment of the situation, especially when it comes to evaluating municipal activities. There are also difficulties in defining long-term external opportunities, where it is necessary to know the tourism development trends, economic and social situation trends, forecasts not only in the municipality, but also in the region, country, Europe and the world. ‘Long-term development vision cause difficulties, but we do plans for the next 10 years, not for today’ (P7). Some of the interviewees admitted that the local community is not sufficiently involved in the process of analysing the situation, for fear of their criticism, although it is the local people who best know the situation and are interested in solving the current local problems. Researchers emphasize that in the SWOT analysis of tourism it is necessary to identify and understand the strengths and weaknesses of the geographical periphery of the destination (lack of developed infrastructure, dependence on one transport connection, etc.) (Koščak & O’Rourke, 2017).

Policies and Actions

During the research, great attention was paid to the activities and actions developed, their feasibility, role in tourism development and financing provisions. Experts while drafting action plans had encountered restrictions in national legislation (sometimes also a different interpretation of restrictions) regarding local government opportunities and responsibilities, especially in relation to business, competition and public-private partnerships (PPP). ‘The municipality does not cooperate with businesses, so many good ideas are not being implemented’ (P1). In general, even large and strong municipalities lack attractive innovative ideas, do not attract large-scale investments, very often offer standard solutions, typical tourism products and services. This can partly be explained by the constraints imposed on municipalities regarding investment plans. ‘Attracting finances is only described approximately. It was not known where these funds could be raised’ (P1). ‘The plan included projects that were not realized in life’ (P1). ‘Actions are changed frequently according to the real situation, so long-term plans lack funding’ (P7).

Similar to previous planning periods there is a lack of common actions, investment policies among the various municipalities involved for drafting tourism activities and action plans. This can be attributed to a lack of knowledge, scarcity of resources and a lack of political will to cooperate. Nowadays, there is a need for proactive, sustainable action from municipalities to avoid the negative effects of tourism (Hanrahan & McLoughlin, 2015).

Since in the last decades the biggest funding for tourism development has come from the European Union, the content and activities of the developed plans reflect the objectives of EU project proposal calls of that period, focusing on one or the other tourism type, development tool or aspect. ‘In recent years, we have already learned to use the EU project funding for targeted activities, but of course, compromises often need to be made to meet the project theme and requirements’ (P8). ‘The problem is that the EU defines the problem and the municipality applies for the project to solve the problem which is not its problem’ (P2). Part of the development plans and programs (especially the strategy) is developed without a budget, or without linking it to an assessment of availability of funding. Therefore, when they are critically evaluated, it can be seen that the objectives set are not achievable. Often, the annual budget approach of municipalities is a limiting factor in the development of plans. That is, precise actions and funding are planned only for the current year, without a long-term view and goals, rejecting projects or activities that require more investment over a longer period. ‘In Latvia, the principles of local government budgeting do not allow decision making for a longer period’ (P5). ‘Ideas need a financial basis if the ideas are without a financial basis, they are not credible’ (P11). It has been observed that sometimes tourism development plans include actions and activities for the development of infrastructure that has little effect on tourism development.

Unfortunately, the aspect of populism was also observed while drafting plans in municipalities, especially before the local elections. Municipality council members, employees use the attractive brand of tourism as a development idea or slogan to maintain or gain voter confidence, but do not associate it with real activities. ‘The city has been governed by the same party for 20 years, so nothing changes radically’ (P1). ‘The power of the mayor as a party member is a cause for concern for the future’ (P7). ‘Those who have not been in power will reap the laurels of tourism development’ (P5). ‘Typically, everyone says they support tourism but do not follow it up with real work’ (P4).

And, of course, as in any other area, the implementation of any plan depends on their implementers. Latvian municipalities do not always
have sufficient and adequate human resources capacity, know-how to implement the decisions made, for example, in relation to the use of the latest technologies, communication with customers, actions to evaluate efficiency, etc. ‘An ideal tourism plan should be linked to other municipal units, but it does not happen due to lack of the necessary knowledge’ (P6). ‘There are already problems with infrastructure, human capacity, including knowledge’ (P7). Lack of entrepreneurial skills, necessity and importance, insufficient human capacity, especially in the bottom-up development model, were also identified in studies in Slovenia, Ireland and Scotland (Koščak & O’Rork, 2017). Managing tourist destinations requires adaptive capacity and flexibility (Islam, Ruhanen, & Ritchie, 2017). That is why continuous education of tourism entrepreneurs, developers and managers is necessary, both by organizing various seminars, exchange of experience and providing the latest professional and scientific literature and insights.

And a common problem noted was the art of compromise at different levels essential in situations where it is necessary to decide between actions, investments and available resources, especially if it requires unpopular decisions, or decisions where it is necessary to change local opinion, make efforts to persuade and get support. ‘Each pulls to his own side. What common purpose and cooperation can we talk about?’ (P3). ‘The municipality should create an environment for successful development of tourism and business’ (P7). ‘The municipality has to show the way to both entrepreneurs and the locals, but then all have to work together’ (P2). As it has already been mentioned, public involvement is necessary in the planning process and discussion of documents. But it is also a decisive factor in the implementation of the plans (Åberg, 2018), because it allows us to recognize both the goals set and the consequences and impacts of tourism development.

Conclusions

The research results show that formally drafted tourism development documents of different levels and types in Latvia conform to modern planning theory and practice, apply in some cases even the latest knowledge and experience and create interesting, unique, innovative and competitive solutions and products. As noted in theory and observed in Latvia, tourism planning at the local level is often an awkward and painful process (Millar & Aiken, 1995), which raises a number of problems, unresolved issues and unimplemented activities.

The most significant differences observed from a comparison of theory and good planning practices in tourism development planning in Latvia are that the planning process is implemented within the boundaries of one municipality without taking into account the larger boundaries of tourist destinations, the involvement of entrepreneurs has only been formal and major, large-scale investment projects have not been planned and implemented.

In order to address these problems, develop good, feasible tourism development plans, local governments need to:

1. Strengthen their leadership role and power to develop competitive and sustainable tourism destinations.
2. Implement PPP initiatives with clearly defined rights and responsibilities, as PPPs are an essential and critical factor in the development of competitive tourism destinations.
3. Acquire communication, cooperation, negotiation, agreement and compromise skills necessary for cooperation between the private and public sector, cooperation between municipalities, cooperation between municipalities and their inhabitants, cooperation between separate services or departments within a municipality.
4. Be aware of the importance of the human factor (especially in relationships between the various forces and the authorities, the willingness to cooperate, knowledge and creativity), seek mechanisms to prevent their negative effects and promote the involvement of creative, resourceful and knowledgeable professionals.

At the national level (Investment and development Agency of Latvia) it is necessary to create a journal dedicated to tourism research and practice, or an online platform where the tourism planning documents drafted, significant tourism research results and discussions on tourism development issues could be published. It would be a good tool for promoting tourism entrepreneurship education, which in today’s rapidly changing world is one of aspects ensuring high quality tourism products and services.

References


