

Guest Editorial

ROBERTO PATUELLI

University of Lugano and RCEA

GIANLUIGI PELLONI

University of Bologna, Wilfrid Laurier University and RCEA

In April 2009, the Rimini Centre for Economic Analysis (RCEA, www.rcfea.org) and the Faculty of Economics-Rimini (www.economiarimini.unibo.it) of the University of Bologna organized an international workshop on the theme “Tourism Economics in an Age of Turbulence”, with the participation of leading scientists in the field of tourism economics. It was attended by both researchers and policymakers. The papers that follow were presented at the workshop.¹ All have undergone blind refereeing and have been revised accordingly.

Tourism is increasingly gaining recognition in the economics and management literature as an attractive and complex field of applied economics. Its rise in the academic field – and generally in the society – is evidenced by the publication of many books (covering a number of broadly-defined economic disciplines; see, e.g., Lundberg et al. 1995; Matias et al. 2007; Page 2009; Kotler et al. 2010), by the trend in the (ISI) impact factors of tourism-related journals (the combined impact factor of the two most important, long-standing tourism journals in the ISI rankings, *Annals of Tourism Research* and *Tourism Management*, has increased from 1.19 to 3.05 between 2005 and 2009), and by the success of tourism-related study programs in universities worldwide. Modern tourism economics builds on an established body of past research and on analytical approaches relying on concepts typical of traditional macroeconomics and regional economics, such as the regional multiplier, input-output analysis and growth theory.

As was highlighted also during the workshop in Rimini, recent research in tourism economics appears to move away from the traditional macro-setting of measuring the impact of tourism in order to investigate the processes behind the aggregate observed effects of tourism. As a result, the concept of the touristic ‘destination’ has been formalized and a study

¹ The editors wish to thank the speakers and the participants to the “Tourism Economics in an Age of Turbulence” workshop, who contributed to a successful event, Guido Candela (University of Bologna) for useful editorial comments, and four referees for accepting to review the articles in this special issue.

of its microeconomic foundations has emerged (e.g. Candela and Cellini 2006) and the newer perspective of 'destination governance' has been developed (Beritelli et al. 2007). As tourism economics develops its own theoretical frameworks, it is bound to establish itself as an autonomous discipline within applied economics and to expand its target audience towards more integrated, multidisciplinary research.

Four articles from the workshop are included in this issue. The first article, by Frank Bruinsma, Karima Kourtit and Peter Nijkamp (2010) (BKN hereafter) was the keynote presentation by Peter Nijkamp at the workshop. Among the services that can be provided by the (public or private) destination manager, there are the so-called "e-services", which nowadays have become one of the leading tools of competition between destinations and within destinations (hotels, restaurants, and so on). In their article BKN present an evaluation framework for the selection of appropriate e-services by the stakeholders. They focus on e-services for cultural heritage (e-heritage) as a tool for raising awareness of urban cultural endowment and improving the local sustainability of tourism. The authors propose a multicriteria decision-making framework, and offer three case studies, for the cities of Amsterdam, Genoa and Leipzig.

Guido Candela and Paolo Figini (2010) present a conceptual discussion of the nature of "tourism economics". Focusing on the characteristics of the tourism destination as a unit of microeconomic analysis, they stress the need for coordination within the destination (in order to maximize profits) along the quantity, quality and price dimensions. Coordination can only be attained through a destination manager or a tour operator, with varying results in terms of allocation of the resulting extra-profits. The authors conclude by discussing the suitability of "tourism economics" as an independent discipline within applied economics.

A further potential key factor for destination management, in particular with regard to coordination of prices, is the cost of travel. If destinations can influence local airport taxes and prices of related services, they can contribute to controlling the flow of tourists arriving at different periods of the year. Moreover, pricing choices of airlines and competition between them are crucial determinants of the final demand for travel. Marco Alderighi and Claudio Piga (2010) examine the pricing behaviour of a low-cost airline (Ryanair). They focus on the effect on ticket prices of the number of days to the departure date and the proportion of sold seats. They show that the positive relationship between fares and sold seats suggested in the theoretical literature can be empirically identified. They also find that, once flight occupancy is accounted for, a nonlinear (U-shaped) relationship exists between fares and the number of days to departure.

The last article goes back to a traditional research question in tourism economics, that is, the effect of tourism on economic growth. Adamos Adamou and Sofronis Clerides extend the established empirical literature on the relationship between tourism specialization and growth by allowing for nonlinearity. Using a large dataset that includes 162 countries, the authors

find that increased tourism specialization is not always linked to significant economic benefits in terms of growth. While a significant effect of specialization on growth is consistently found over all proposed specifications (linear and nonlinear), the inverted-U shape found for the quadratic form suggests that while for developing countries increasing specialization in tourism is beneficial, the contribution of tourism for developed countries is, due to diminishing returns, minimal.

References

- Adamou, A., and S. Clerides (2010), Prospects and Limits of Tourism-Led Growth: The International Evidence, *The Review of Economic Analysis*, 2, 287-313.
- Alderighi, M., and C. Piga (2010), On-Line Booking and Revenue Management: Evidence from a Low-Cost Airline, *The Review of Economic Analysis*, 2, 272-286.
- Beritelli, P., T. Bieger, and C. Laesser (2007), Destination Governance: Using Corporate Governance Theories as a Foundation for Effective Destination Management, *Journal of Travel Research*, 46, 96.
- Bruinsma, F., K. Kourtit, and P. Nijkamp (2010), An Agent-Based Decision Support Model for the Development of E-Services in the Tourist Sector, *The Review of Economic Analysis*, 2, 232-255.
- Candela, G., and R. Cellini (2006), Investment in Tourism Market: A Dynamic Model of Differentiated Oligopoly, *Environmental and Resource Economics*, 35, 41-58.
- Candela, G., and P. Figini (2010), Destination Unknown. Is there any Economics beyond Tourism Areas?, *The Review of Economic Analysis*, 2, 256-271.
- Kotler, P., J.T. Bowen, and J.C. Makens (2010), *Marketing for Hospitality and Tourism* (5th ed.), Pearson, Boston London.
- Lundberg, D.E., M. Krishnamoorthy, and M.H. Stavenga (1995), *Tourism Economics*, Wiley, New York.
- Matias, À., P. Nijkamp, and P. Neto (eds) (2007), *Advances in Modern Tourism Research: Economic Perspectives*. Physica-Verlag: Heidelberg.
- Page, S. (2009), *Tourism Management: Managing for Change* (3rd ed.), Butterworth-Heinemann, Oxford.