



Tourism Review

A business model typology for destination management organizations

Stephan Reinhold, Pietro Beritelli, Rouven Grünig,

Article information:

To cite this document:

Stephan Reinhold, Pietro Beritelli, Rouven Grünig, (2018) "A business model typology for destination management organizations", Tourism Review, <https://doi.org/10.1108/TR-03-2017-0065>

Permanent link to this document:

<https://doi.org/10.1108/TR-03-2017-0065>

Downloaded on: 13 March 2018, At: 23:29 (PT)

References: this document contains references to 78 other documents.

To copy this document: permissions@emeraldinsight.com

The fulltext of this document has been downloaded 16 times since 2018*

Access to this document was granted through an Emerald subscription provided by emerald-srm:178665 []

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

A business model typology for destination management organizations

Stephan Reinhold, Pietro Beritelli and Rouven Grünig

Abstract

Purpose – *The need and legitimacy of destination management organizations (DMOs) are increasingly questioned. Still, the tourism literature provides little advice on how DMOs change and finance their activities for the benefit of their destination-given contextual change. This conceptual article aims to contribute to filling this gap. The authors do so by proposing a typology of business models for destination management organizations.*

Design/methodology/approach – *With the help of typological reasoning, the authors develop a new framework of DMO business model ideal types. To this end, the authors draw on extant literature on business model typologies and identify key dimensions of DMO business models from the tourism literature.*

Findings – *The challenges DMOs face, as discussed in the tourism literature, relate to both ends of their business model: On the one end, the value creation side, the perceived value of the activities they traditionally pursue has been declining; on the other end, the value capture side, revenue streams are less plentiful or attached to more extensive demands. On the basis of two dimensions, configurational complexity and perceived control, the authors identify four distinct ideal types of DMO business models: the destination factory, destination service center, value orchestrator and value enabler.*

Originality/value – *The authors outline a “traditional” DMO business model that stands in contrast to existing DMO classifications and that relates DMO challenges to the business model concept. The typology provides an integrated description of how DMO business models may be positioned to create and capture value for the organization and the destination(s) it serves. The ideal types point to important interdependencies of specific business model design choices.*

Keywords Business model, Value creation, Typology, Value capture, DMO

Paper type Conceptual paper

Stephan Reinhold is Lecturer in Management at Institute for Systemic Management and Public Governance, University of St. Gallen, St. Gallen, Switzerland.

Pietro Beritelli is Associate Professor in Tourism and Rouven Grünig is based at Institute for Systemic Management and Public Governance, University of St. Gallen, St. Gallen, Switzerland.

1. Introduction

Despite being the dominant solution to market and manage destinations across the world (WTO, 2007), the struggle of the destination management organization (DMO) has become a cornerstone of the tourism literature in recent years. Research from different theoretical perspectives suggests that DMOs are facing an existential crisis (Pike, 2016). The perceived value of their existing services is dwindling and their trusted revenue streams have started to run dry (DMAI, 2014; Wang, 2011). The viability of the DMO business model is threatened.

These are daunting prospects, aggravated by the DMO's “lack of authority and control over the destination and the tourist services and products” (Serra *et al.*, 2016, p. 2). Either the coming years are likely to witness a change in how DMOs create and capture value, or different actors altogether will assume responsibility for activities that benefit coordination and destination development (Pike, 2016; Reinhold *et al.*, 2015).

For quite some time, DMOs have been criticized for being unable to change and adapt to the new market realities (e.g., Gretzel *et al.*, 2006; Sheehan *et al.*, 2016). Moreover, both

Received 31 March 2017
Revised 19 July 2017
Accepted 2 October 2017

scholarly sources (d'Angella *et al.*, 2010; Reinhold *et al.*, 2017) and industry reports (e.g., DMAI, 2014) acknowledge the importance of paying attention to DMO business models. The tourism literature provides little advice on how DMOs might consistently change and finance their activities for the benefit of their destination given contextual change (e.g., Socher, 2000). Instead, governance (e.g., Hristov and Zehrer, 2015), structures (e.g., Wang, 2008), functions (e.g., Pearce, 2016b) and competences or limited combinations thereof (e.g., Pearce, 2015) dominate the discussion. Revenue sources rarely take center stage (Beritelli and Laesser, 2014). Additionally, no contribution to date has explicitly addressed how DMOs below the national level can try to address the outlined DMO crisis by means of altering both sides of their business model, that is, how to consistently create and capture value for their stakeholders (Zott and Amit, 2010).

In this conceptual article, we contribute toward filling this gap. We propose a typological framework of four ideal-type business models for DMOs: the destination factory, destination service center, value orchestrator and value enabler. These ideal types are based on two key dimensions: configurational complexity and perceived control. Our framework contributes to the destination management literature by providing insight into the combinatory options and interdependencies of DMO business models. We assert that to assess the viability of DMO business models, we need to understand what stance the business model takes on perceived control over relationships in the destination, the interactions among stakeholders embedded into the business model and the focus on value or products.

2. Conceptual background

We use typological reasoning to theorize differences in the nature of DMO business models. To this end, this section introduces the typology and ideal types as means of theory-based classification and identifies how the business model concept relates to typological work.

2.1 *Typologies as a means of classification*

In the social sciences, the classification of entities and activities is a fundamental epistemological process (Bailey, 1994). Ordering entities and activities on the basis of key attributes “brings parsimony and mental order to one’s view of them” (Hambrick, 1984, p. 27). The resulting classes reduce information of complex ideal types or real world things to those aspects of theoretical significance or an observer’s interest while “maximizing within-group homogeneity and between-group heterogeneity” (Bailey, 1994, p. 1). However, the reliability of inferences about entities’ key attributes based on class membership might vary considerably (Hambrick, 1984).

The literature distinguishes two types of classification schemes by means of process: *taxonomies* and *typologies*. Taxonomies are derived bottom-up from empirical research and observations of things out in the world, whereas typologies are derived top-down from conceptual work and theorists’ sense making (Baden-Fuller and Morgan, 2010; Hambrick, 1984). Taxonomies try to definitively categorize phenomena into mutually exclusive and exhaustive classes by specifying a set of consistent sorting rules (Doty and Glick, 1994). Charles Darwin’s evolutionary taxonomy is a prime example (Padian, 1999). Typologies, in contrast, provide no such rules. Instead, they provide sets of interrelated *ideal types*, “each of which represents a unique combination of the [...] attributes that are believed to determine the [...] variance in a specified dependent variable” (Doty and Glick, 1994, p. 232). Prominent examples in the tourism literature are, for example, Cohen’s (1972) sociological typology of four tourist roles (i.e. organized mass tourist, individual mass tourist, explorer and drifter) based on strangeness and institutionalization of the tourist experience; or Savage *et al.*’s (1991) stakeholder typology adapted by Sheehan and Ritchie (2005) that

assesses a DMO stakeholder's potential to cooperate in relation to their capacity to propose a threat to cooperation.

A common misconception refers to typologies as poetic yet plausible attempts that classify phenomena based on a theorist's sense making (Hambrick, 1984). More recently, however, typological reasoning has been acknowledged as its own style of theorizing (Cornelissen, 2017; Delbridge and Fiss, 2013). "[T]ypologies are complex theoretical statements [...] that highlight the internal consistency among the first-order constructs within an ideal type, and they explain why this internally consistent pattern results in the specified level of the dependent variable(s)" (Doty and Glick, 1994, p. 234). Typological reasoning yields a key benefit: It introduces ideal types that reach beyond nascent empirical developments of specific phenomena and inspire practitioners in their decision-making (Doty and Glick, 1994). Ideal types embody theoretically relevant characteristics to categorize and explain observed behavior.

While previous work on DMOs was often taxonomical [see, for example, Pearce's (2015) detailed analysis and discussion of destination management structures in New Zealand], our work reflects on existing DMO business models by introducing a set of theoretical ideal types in a typological framework. The set of ideal types is based on two critical dimensions (for details, Section 4.1): *configurational complexity* that refers to how complicated the set of design choices and related interdependencies are for a specific business model configuration; *perceived control* that encapsulates subjective perception of a DMO's power over the development of and production in a destination. A broad taxonomical classification of actual DMO behavior is beyond the scope of our present work. Subsequently, we, therefore, focus on how typologies and how business model ideal types[1] can benefit the discussion of how DMOs create and capture value to the benefit of the destination.

2.2 Business models and typologies

In strategy research, the *business model* is a relatively new concept whose definition is multivalent in character (Baden-Fuller and Morgan, 2010). In line with the latest comprehensive literature review published and the purpose of this article, we define "a business model as an attribute of a real firm" (Massa et al., 2017, p. 80) that is conceptually distinct from the firm's strategy (Casadesus-Masanell and Ricart, 2010; Zott and Amit, 2008). Specifically, we adopt Zott and Amit's (2010) activity systems definition. It conceptualizes a business model as a "set of activities, as well as the resources and capabilities to perform them – either within the firm, or beyond it through cooperation with partners, suppliers or customers" (Zott and Amit, 2010, p. 217) – which depicts "the content, structure, and governance of transactions designed so as to create value through the exploitation of business opportunities" (p. 219).

As activity systems operated by real organizations to create and capture value, business models can serve as ideal type in the sense of typological work (Baden-Fuller and Morgan, 2010). In this sense, "they also bring into being the very things that they describe" (Mikhalkina and Cabantous, 2015, p. 81). Moreover, they enable academics as well as practitioners "to model and articulate different activities" (Baden-Fuller and Mangematin, 2013, p. 423) that benefit an organization's various stakeholders and have potential implications for entrepreneurial efforts as well as organizational resilience (Baden-Fuller and Mangematin, 2013; Hamel and Valikangas, 2003).

Two recent articles suggest that there is a need for improving classification on business models to understand the links between configurations, behavior and performance (Baden-Fuller and Mangematin, 2013; Eckhardt, 2013, p. 415). They have inspired first typological contributions for specific contexts (McNamara et al., 2013) and configurations (e.g., Rumble and Mangematin, 2015). However, there is still considerable room to investigate the manipulability and configurational aspects of business models

(Baden-Fuller and Mangematin, 2013) if we consider that business model research deviates from the traditional resource-based and positioning view in its behavioral assumptions as well as assumptions about value creation and capture (Massa *et al.*, 2017). For a typology of DMO business models, this implies that configurational ideal types have the potential to inspire both research and practice.

3. Challenges to the destination management organization's business model

3.1 DMO definition

Today's DMOs for community-type settings (Flagestad and Hope, 2001) have evolved from place promotion agencies dating back to the mid-nineteenth century into professional tourism organizations with a wide range of marketing and management responsibilities (Pike and Page, 2014; Presenza *et al.*, 2005). The main purpose of these organizations is commonly associated with providing coordination and collaboration benefit to public and private destination stakeholders as well as to tourists by means of managing and developing tourism processes (d'Angella *et al.*, 2010; Sainaghi, 2006; Spyriadis *et al.*, 2013).

There is, however, a lively debate among tourism scholars about the effectiveness or normative assignment of DMO roles, aspirations and impact (see Pearce, 2015; Pike and Page, 2014). To keep our paper concise, we limit ourselves to positioning the DMO concept used in this piece.

Hence, we define the DMO as a destination *management* organization serving the main purpose outlined above. We deem this adequate because DMOs are frequently assigned a broad range of activities (such as destination branding, lobbying, strategy formulation, quality assurance, crisis management and policy-making; Pearce, 2015, 2016a) even though they lack the control and authority to create the aspired impact (Serra *et al.*, 2016, p. 2).

By devising a business model typology for this comparatively broad definition of a DMO, we aim to provide impetus for a discussion of how organized coordination and collaboration can benefit destination actors independent of the definitive activity profile in a specific national or regional context. This implies that a DMO is not an independent organizational entity. However, given our typological approach, we will not assess all the contingent value-co-creation arrangements with public and/or private bodies that taxonomical work has started to look into from a broader destination management perspective (Pearce, 2015).

3.2 Existing destination management organization classifications

Despite its prominence in other sectors (Massa *et al.*, 2017), the business model concept has not been used for understanding DMOs' challenges. Instead, tourism scholars have devised a range of other meaningful classifications for DMOs and their activities. To provide an overview, we arranged the core ones in four groups, as classified by:

1. level;
2. activities, functions and competences;
3. structure and governance; and
4. revenue streams.

Most prominent among these classifications in research and practice is the distinction of DMO types by level. The national, regional and local levels are frequently used to distinguish DMOs by function and budget size (Bieger *et al.*, 2009; Wang, 2008; WTO, 2007). DMOs at the national level (NTO) tend to focus on national-scale activities, "which the private sector itself is least likely to undertake [... such as] international and domestic

marketing of the country as a whole; the provision of tourist information; and the collection and analysis of tourism statistics” (Spyriadis *et al.*, 2013, p. 81). DMOs at the regional and local level (RTO and LTO), in contrast, are focused on marketing and managing more specific tourism destinations (e.g. a province, a valley, a park or a city; WTO, 2007). Traditionally, these destinations have been understood as administrative geographic boundaries. However, more recently, scholars have started to interpret the geographic scope of a regional and local DMO’s field of activity more flexibly (Beritelli *et al.*, 2014; Beritelli *et al.*, 2015b).

A second group of classifications specifically deals with DMO activities, functions and competences. The most general classification distinguishes between marketing and management tasks and relates to the aforementioned discussion of the normative roles of DMOs and what the “M” in DMO stands for (Laesser and Beritelli, 2013; Pike and Page, 2014). In his recent review of DMO functions, Pearce (2015) identifies 19 distinct DMO functions from existing literature, which specify the activities associated with marketing and management. Table I lists them in alphabetical order. However, the list does not imply any hierarchy among functions. It even lists destination management and marketing separately alongside what could arguably be classified sub-functions of marketing and management.

To address this issue, Pearce (2015) refers to four ways of organizing these functions:

1. by competence level;
2. statutory vs discretionary nature;
3. enabling vs regulatory impact; or
4. the relationship structure for units in charge of fulfilling certain functions.

The author devotes most attention to the three-level typology of organizational competences (Pearce, 2015): operational, functional and inter-functional competences. Going back to the original sources [Grant (1996) cited by Tywoniak and Groupe (1998)], the three typology levels represent organizational *capabilities*. The latter ones are separated by a high degree of knowledge integration that allows to perform specific functions[2] in a given functional organization structure. Most of the functions listed in Table I are mapped onto DMOs functional units or across those units. Assuming a functional structure for DMOs is – against current practice – challenging. The functional organization was devised to “efficiently produce a limited array of products if demand for the various products can be forecast and production runs strictly scheduled” (Miles and Snow, 1992, p. 59). Yet, this is at odds with the context of DMOs, which requires them to provide services in a complex and dynamic environment.

Table I DMO marketing and management functions

Animation	Destination planning, strategy formulation, monitoring and evaluation	Relationship building, coordination and facilitation
Assistance with accessing finance	Enhance well-being of destination residents	Research, information management and knowledge-building
Business support	Human resource development, training	Resource stewardship, environmental management
Crisis management	Information provision and reservations	Service provision and coordination
Destination and site operations	Policy-making and enforcement	Visitor management, managing the visitor experience
Destination marketing, branding and positioning	Product development activities	
Destination management	Quality assurance	

Sources: Based on Pearce (2015, p. 3); functions listed in alphabetical order, no hierarchy or weight implied

The third group of classifications for DMOs specifically addresses aspects of structure and governance. [Flagestad and Hope \(2001\)](#) describe two prominent types of DMOs each linked to a different organizational destination structure at opposing ends of a continuum. For community-type destinations, the authors describe DMOs to be “perceived as mainly marketing devices and policy domains in which planning and decisions are based on stakeholder collaboration and numerous compromises” ([Flagestad and Hope, 2001](#), p. 452). For corporate-type destinations, in contrast, DMOs are (or are a part of) multi-divisional organizations with central control, visitor process focus and destination leadership ([Flagestad and Hope, 2001](#)). [Wang \(2008, 2011\)](#) complements the two extreme types with a discussion of four DMO governance models. Based on Destination Marketing Association International (DMAI), the author identifies four models ([Wang, 2011](#)) of the DMO as:

1. public government agency;
2. government-funded, non-profit organization;
3. non-profit public private partnership; and
4. private members-only trade association.

In his analysis of destination management structures in New Zealand, [Pearce \(2015\)](#) puts more emphasis on the formal and informal natures of coordination among DMOs and related agencies. Finally, there is also evidence that DMOs’ perceived and actual role in destination governance might vary considerably with regard to the power to coordinate and to control the behavior of different destination actors ([Beritelli et al., 2015a](#); [Beritelli et al., 2015b](#)).

The final group of classifications centers on the revenue streams and funding of DMOs. While the four governance models by [Wang \(2011\)](#) already allude to how certain DMO types are funded, [Beritelli and Laesser \(2014, p. 214\)](#) provide a more detailed discussion of seven DMO revenue sources: “(1) membership fees, (2) partnership platforms/initiatives, (3) commercial revenues, (4) overnight taxes, (5) regional and state subsidies, (6) municipal subsidies, and (7) tourism taxes”.

All of the reviewed classifications center on one or a limited set of relevant variables for the design and management of how a DMO creates and captures value. Yet, none provides an integrative picture of the DMO business model that would help us understand the interdependencies of specific design choices. This is, however, one of the key strengths of the business model concept ([Arend, 2013](#)) and worthwhile understanding to investigate how DMOs may respond to the threat to their viability.

3.3 “Traditional” destination management organization’s business model

As no previous work has provided a complete representation of a DMO business model, this section conceptually establishes a point of reference for the later business model typology and discussion. Our representation of a “traditional” DMO’s business model is a simplified theoretical portrait of how this organization creates and captures value. It refers to a business model as a system of activities ([Zott and Amit, 2010](#)) and is bound by the DMO definition we use as well as by the combinatory variety of contingent design choices for the business model.

To operationalize the business model definition introduced in a previous section, we represent how the DMO creates and captures value along three dimensions that account for [Zott and Amit’s \(2010\)](#) content, structure and governance of activity systems: activities, actors and revenues streams. *Activities* refer to “the engagement of human, physical and/or capital resources of any party to the business model (the focal firm, end customers, vendors, etc.) to serve a specific purpose toward the fulfilment of the overall objective” ([Zott and Amit, 2010, p. 217](#)). Value creation in tourism business models frequently transcends

boundaries of an organization and involves coproduction with private and public entities as well as with tourists. The *actor* dimension identifies all partners and customers relevant to the transactions related to a specific business model (Zott and Amit, 2008). Finally, *revenue streams* represent the third dimension that accounts for how the value created from actors' activities is appropriated (Zott and Amit, 2010) and disseminated among the value network (Allee, 2008; Peppard and Rylander, 2006). Figure 1 provides a simplified depiction of the relationship among the three dimensions.

For three main reasons, we establish the normative point of reference for our DMO business model typology based on Bieger (1998) and colleagues' prescriptions for community-type DMOs in Switzerland: First, these prescriptions across a number of publications provide the information necessary for the three dimensions of our business model. They are well documented over time across a number of publications by the original author(s) (Bieger, 1998; Bieger *et al.*, 2009). Second, they resonate with publications of other scholars (Beritelli and Laesser, 2014; Flagestad and Hope, 2001; Presenza *et al.*, 2005; Sainaghi, 2006) and with how-to guides for tourism professionals (WTO, 2007). Finally, Switzerland serves "as a living laboratory" (Beritelli and Laesser, 2014, p. 216), with a longstanding tourism tradition (Pike and Page, 2014).

Figure 2 provides an overview of the normative, traditional DMO business model. Activities are at the heart of Figure 2. Bieger's (1998) four-task domains structure the maximum range of DMO activities identified by this author and colleagues (Bieger *et al.*, 1998):

1. planning;
2. product development;
3. marketing; and
4. representation of interest.

These activities align with DMO functions identified by other authors (Bornhorst *et al.*, 2010; Pearce, 2015) and, arguably, create direct or indirect value for the listed set of relevant destination actors (Sheehan and Ritchie, 2005).

Prescriptively and perceptively (Bieger and Beritelli, 2013; Bornhorst *et al.*, 2010), the *planning activities* improve and support the execution of other activities, particularly, those related to marketing and product development. For instance, planning activities may lead to more effective marketing initiatives that increase the number of visitors and, thus, create value for a destination. *Product development* supposedly leads to more targeted product and service offerings that, in combination with effective marketing initiatives and improved internal stakeholder relations, increase visitor numbers and experiences. Hence, both tourists and destination residents are suggested to be major beneficiaries of these activities. *Marketing activities* supposedly create direct benefit for service providers in the destination. Finally, activities linked to *representation of interest* are assumed to enhance visitor experience via resident and political support.

The activities in the four domains are funded by a combination of the sources of funds identified by Beritelli and Laesser (2014). To the left, Figure 2 identifies how activities in the

Figure 1 Business model framework

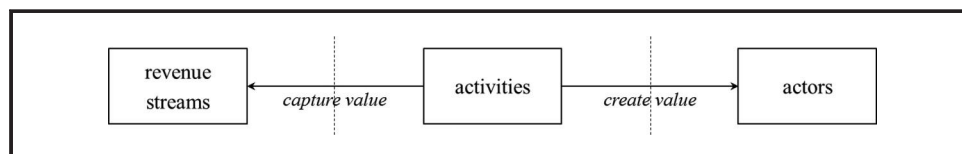
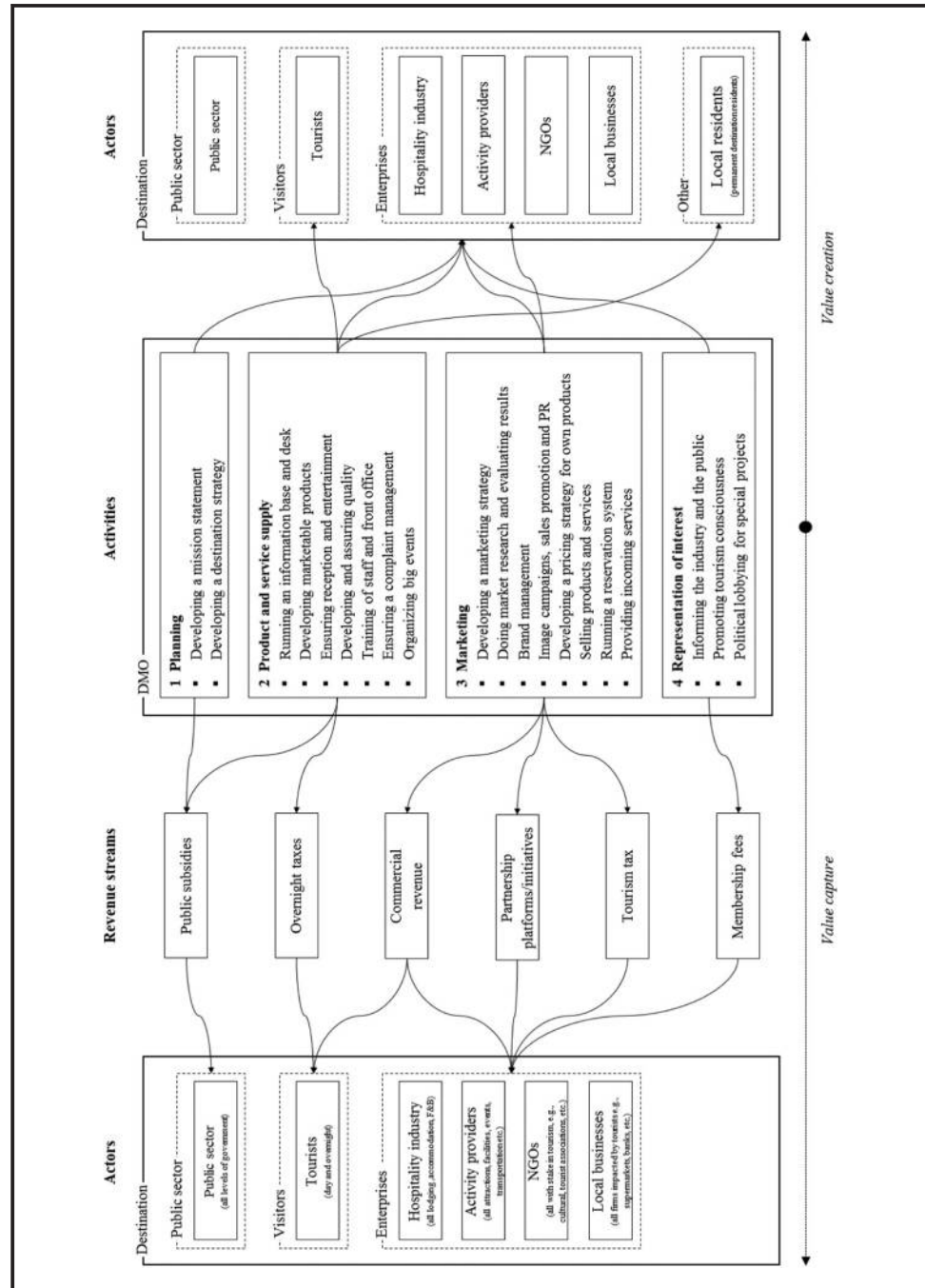


Figure 2 Normative DMO business model

normative DMO business model should be funded by means of different revenue streams and different actors. [Bieger and Beritelli \(2013\)](#) base the links between activities, revenues sources on the premise that non-commercial revenues should be earmarked and benefiting the actors that paid them.

In sum, the normative business model represents a prescriptive maximum of potential DMO activities funded by a broad set of revenue streams and with a sense of control of destination competitiveness and its development. This contested view ([Beritelli et al., 2014](#)) should neither be mistaken for a desired ideal organization nor for an empirical specimen.

3.4 How is it being challenged?

The business model of the DMO is challenged at both ends: On the value creation side, the perceived value of the activities they traditionally pursue has been declining. On the value capture side, revenue streams are less plentiful or attached to more extensive demands. The existing tourism literature offers a number of arguments and case studies to back up the claims at both ends, on which we elaborate below. While this literature offers large-scale evidence of these developments, to a lesser extent, there seems to be agreement that “the DMO business model must transform” ([DMAI, 2014](#), p. 20).

The perceived value of DMOs traditional activities is in decline. Four main arguments back up this claim. First, the DMO faces (new) competition that fulfils its job-to-be done more efficiently and effectively ([DMAI, 2014](#)). Competition stems from both new market players ([Wang, 2011](#)) as well as actors within their destinations ([Gretzel et al., 2006](#)). For example, DMO websites have lost considerable pull as primary sources of information and sales channels ([Reinhold et al., 2015](#); [Wang, 2011](#)) next to the likes of information and service providers such as TripAdvisor, Google Trips and Priceline.

Second, for some of the services DMOs provide, stakeholders have realized that they do not or no longer provide the anticipated benefits ([Beritelli et al., 2015b](#)). Stakeholders question DMOs ability to attract tourists and influence their travel decisions ([Reinhold et al., 2015](#)). Simultaneously, DMOs struggle “to precisely demonstrate the market impact” ([Pike, 2016](#), p. 3) of their activities. This is troublesome given that the marketplaces they operate on are “increasingly noisy, confusing and [constantly] evolving” ([Wang, 2011](#), p. 18).

Third, the boards of these organizations have become increasingly larger in an attempt to foster collaboration and match the complexity of the business context ([Beritelli et al., 2015b](#); [Wang, 2011](#)). However, the greater set of heterogeneous board members, stakeholders and partners increases the diversity of requests and opinions. Given the political nature of DMO decision-making ([Pike, 2016](#)), this potentially lowers the average fit of individual DMO activities with the needs of its stakeholders and leads to minimal consensus solutions instead ([Beritelli et al., 2015b](#)).

Finally, DMOs lack the resources, control and legitimacy for functions assigned to them ([Serra et al., 2016](#), p. 2). This is, for example, particularly pronounced for the attempts of community type DMOs to develop and implement destination strategies ([Haugland et al., 2011](#); [Reinhold et al., 2017](#)).

Revenue streams are less plentiful or attached to more extensive demands. Three main arguments back up this claim. First, the fiscal reality of the past years and present require “DMOs to defend their funding against demands for other public-service expenditures” ([DMAI, 2014](#), p. 20). [Pike \(2016\)](#) even talks of an over reliance on government funding for which there is no long-term guarantee. How fast and how drastically changes in government funding priorities will affect DMOs is unclear at this point ([Reinhold et al., 2017](#)).

Second, new forms of competition in the lodging sector from peer-to-peer accommodation rentals ([Guttentag, 2015](#); [Reinhold and Dolnicar, 2017](#)) that are either not taxed or circumvent paying tourism fees and lodging taxes ([Lambeck Llop, 2017](#)) lower the revenue

potential of two typical DMO revenue streams. The same effect results from DMOs decreased relevance as sales platforms for tourism products (Reinhold *et al.*, 2015).

Finally, the executive branches and administrative bodies of governments are increasingly pressured to account for tax revenues spent (Arnaboldi *et al.*, 2015; Curristine *et al.*, 2007), while DMOs struggle to validly demonstrate the impact of their publicly funded activities (Pike, 2016). The specification and interpretation of performance mandates require DMOs to deliver “more for the same” or even “more for less” public financial contributions.

In sum, these challenges to DMO value creation and value capture highlight the need to take an integrated, business model perspective.

4. A typology of destination management organization business models

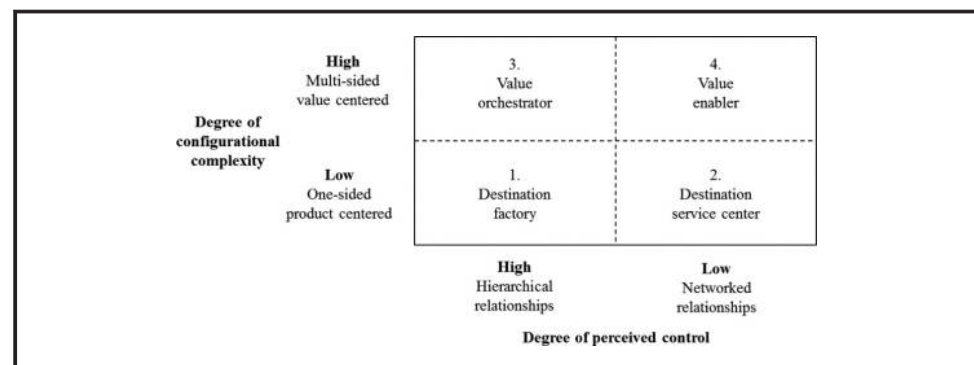
4.1 Key dimensions of DMO business model configurations

To explain ideal-type configurations of DMO business models, we propose a framework that builds on two main dimensions. The first dimension describes the complexity of the business model configuration (“configurational complexity”). The second dimension describes the extent to which the DMO is perceived to control the production and development of a tourist destination (“perceived control”). We conceptualize configurational complexity and perceived control as continuous dimensions. Any DMO’s existing business model can be theoretically located at any point along these two dimensions. For the sake of parsimony, we identify four ideal types by the ends of the two dimensions. However, the dashed rather than solid lines in Figure 3 illustrate that a DMO’s business model can exist anywhere in between these ideal types. Below, we describe each dimension before we turn to ideal types in the subsequent sections.

4.1.1 Configurational complexity. A key differentiator of business models is their complexity. While there are many aspects to complexity in business model configurations (Aversa *et al.*, 2015; Furnari, 2015; Teece, 2010), we focus on two that are particularly relevant to coproduction of tourist experiences: one vs multi-sidedness and product vs value centeredness.

The first aspect refers to whether a business model establishes a direct relationship between a firm and a customer that pays for the products and services received (*one-sided*) or whether the firm establishes varied in-/direct relationships with and among different groups of customers who may or may not pay for the products and services (*multi-sided*; Baden-Fuller and Mangematin, 2013). Well-known multi-sided business models are operated by booking platforms that establish contact between destination visitors and

Figure 3 DMO business model typology



hospitality enterprises. While guests do not pay the platform operator (e.g. Booking or HRS), hotels and other lodging establishments pay commission for the matchmaking services. The complexity of multi-sided business models stems from the relationships among customers to consider as well as interdependencies in revenue mechanisms (Rumble and Mangematin, 2015). In contrast, one sided business models are much simpler, for example, a single shop of a fast food chain (e.g. Pret A Manger or Subway) selling sandwiches and drinks to hungry city travelers for cash and passing on fees (Baden-Fuller and Mangematin, 2013).

The second aspect pertains to what “unit of business” (McGrath, 2010) a specific business model configuration is centered on. *Product centered* business models focus on the creation of specific, pre-specified artifacts (e.g. destination brochure) and services (e.g. representation at travel trade show). In contrast, *value centered* business models focus on the value they provide to specific customers by solving specific problems of theirs (e.g. developing the seeds for a new visitor flow) – regardless of the form this takes as product or service. While this dichotomy between product and value focus is related to Baden-Fuller and Mangematin’s (2013) project vs scale based dichotomy, it additionally highlights whether preconceived notions of products and services determine the unit of business (“inside-out”) or whether the value proposition starts with the customer problem (“outside-in”) (Day, 2011). Considering the tailored notion and outside-in focus, value centered business models are conceptually more complicated than product centered ones (Rumble and Mangematin, 2015).

4.1.2 Perceived control. The second key dimension to identifying the ideal-type DMO business models is control. Approaches in both destination governance and practice differ in the extent of control they ascribe the DMO to manage the destination as a production system and determine its success (Beritelli et al., 2015b). Given the challenges in measuring destination performance and the impact of specific actors (Bornhorst et al., 2010), we conceptualize control as perceptive construct. We argue that the perceived level of control that decision-makers ascribe to the DMO compared to other destination actors informs the choice and configuration of the DMO business model. This argument is consistent with behavioral assumption that cognitive schemas shape the decision-making of individual and collective strategic actors (Gary and Wood, 2011; Porac et al., 2002).

For the purpose of this framework, we distinguish between two theoretical levels of perceived control. Actors that ascribe a high degree of control to the DMO conceptualize destinations as sets of *hierarchical relationships*. The DMO is perceived as the organization in charge of strategic leadership and mediating the relationships between actors both within and outside of the destination. This extreme form of control is more likely to be realized in corporate-type than community-type destination settings (Flagestad and Hope, 2001). Nonetheless, it may still inform the design of business model configurations as a dominant logic among decision-makers (Prahalad and Bettis, 1986). At the other end of the spectrum, actors that ascribe the DMO low levels of control conceptualize the destination as sets of *networked relationships*. The DMO is perceived as an embedded organization (Beritelli et al., 2007) that tries to support the production system with limited resources and system-level influence (Pike, 2016; Serra et al., 2016).

4.2 Type 1 – destination factory

The first type describes a business model configuration of low complexity that assumes a DMO of high perceived control over the destination. The DMO operates a one-sided product centered business model. Its value proposition for tourism enterprises builds around the products and services of the activity profile outlined in the “traditional” DMO business model (cf. Figure 2). The DMO is perceived to be in hierarchical control of all strategic and operational processes relevant to the destination. The DMO develops a

destination strategy, plans and develops tourist infrastructure and new products, promotes the destination, manages key accounts, provides guest information, etc. In effect, the business model is configured as if the DMO were to run an integrated *destination factory*. As the focal organization in control, the DMO relies on general budget funding via mandatory contributions (i.e. overnight and tourism taxes), and it pays little attention to how interactions among different stakeholders are relevant to its revenue streams.

4.3 Type 2 – *destination service center*

The second type also refers to a business model configuration of low complexity. However, it assumes a DMO with little control over the destination. The DMO operates its one-sided product centered business model with a focus on supporting various business relationships with standardized product and service solutions. Like a *service center* to destination stakeholders, it supports specific marketing and product related activities. For example, the DMO pools marketing funds to coordinate billboard campaigns. However, this type of DMO is unlikely to develop new products or lead strategic processes. Moreover, unlike the destination factory, the second business model configuration does not assume legitimacy and resource access. The destination service center has to negotiate and account for it. This type of DMO's revenue streams benefits from fewer public subsidies and mandatory contributions, and has to negotiate more project-based funding from partnership initiatives and platforms. While the networked nature of the destination is acknowledged in terms of the activity profile, the second type does not consider the relationships among actors for interdependent revenue stream and funding arrangements.

4.4 Type 3 – *value orchestrator*

The third type stands for a business model configuration of high complexity that assumes a DMO of high perceived control over the destination. It shares the latter characteristic with Type 1. However, unlike the first type, it devises the value proposition starting with the specific challenges of its destination stakeholders. Relationships in the destination for strategic and operational processes are still conceived as hierarchically controlled by the DMO. It orchestrates a multitude of dyadic relationship rather than a real network. We, therefore, termed this ideal type of business model configuration the *value orchestrator*. Like Type 1, the value orchestrator relies on general budget funding and mandatory contributions. However, it also tries to capitalize on concerted partnership initiatives and commercial revenues from purposeful, DMO-mediated matchmaking among destination actors and between destination actors and tourists.

4.5 Type 4 – *value enabler*

Finally, the fourth type characterizes a business model configuration of high complexity. Unlike Type 3, however, it assumes that a DMO has limited control over the destination as a productive system. This fourth type operates a multisided business model focused on enabling value creation by destination actors. The DMO defines its value proposition based on the pertinent challenges of these actors with a focus on establishing and sustaining value creating relationships among actors. With this role in mind, we labeled this configuration the *value enabler*. Like the second type, it is required to negotiate its legitimacy and resource access. However, its funding and revenue streams are more activity and project based. It is remunerated by tourism businesses for establishing and growing (not controlling) new tourist flows based on the developments and need of the destination.

5. Discussion

If we are to provide DMOs with a sense of perspective given the challenges to how they create and capture value, an integrated conceptualization of their business model configuration options is critical. Existing studies have focused on the challenges, activities and functions this organization type pursues (Pearce, 2015), but they offer little insight how DMOs may address the decline in the perceived value of the activities as well as the squeeze on funding. We have sought to provide structure to this discussion and open up a new, integrative perspective. Our key assertion is that the viability of DMOs value creation and capture can be discussed based on the business model concept. This aligns with the call for more research on business models in tourism in a recent review paper (Reinhold *et al.*, 2017). To extend existing work, we developed a typology that builds on the complexity of DMO business models as well as the perceived control of the DMO over the destination. Our framework introduces four ideal-type configurations that enable future research to position real life cases along the two dimensions highlighted.

In sum, our typology contributes to the destination management literature by providing insight into the combinatory options and interdependencies of DMO business models. Extant research has focused on a limited set of aspects of value creation but it is critical to understand the interdependencies of design choices by taking an integrative perspective. By theorizing combinatory complexity and perceived control as key dimensions along which DMO business models vary, we provide a starting point to investigate the efforts of DMOs to deal with the challenge to their reason to exist that other authors have called for (Pike, 2016). Our framework suggests that to understand the viability and bricolage of DMOs to create and capture value for its stakeholders and the organization, we need to understand what stance the business model takes on perceived control over relationships in the destination, the interactions among stakeholders embedded into the business model and the focus on value or products. This opens future research opportunities to reflect on the integration of research on DMO business models, distributed strategic capabilities in destination settings and destination leadership (Hristov and Ramkissoon, 2016; Hristov and Zehrer, 2015; Reinhold *et al.*, 2017).

Future studies can apply and expand on our typological framework to develop a richer understanding of DMO business models in a number of ways. First, scholars could use our framework to analyze how specific business model configurations positioned along the two dimensions of the typology drive the behavior of destination actors. For example, Baden-Fuller and Mangematin (2013) suggest that studying the effects of configurational ties in business model configurations and their influence on behavior is promising and yields potentially more substantive insights than asking to what extent a given DMO follows an ideal-type business model at a given point in time. Hereby, behavior refers to not only value creating activities but also committing resources that sustain the DMO financially. In sum, this could help combine our typological work with in-depth taxonomical studies (Pearce, 2015) to develop scenarios for the evolution of DMO business models and study specific DMO cases going forward (Reinhold *et al.*, 2015).

Second, future research could use our framework to analyze the implications of specific business model configurations for how key processes are structured. For example, there is a case to be made that the value creation arrangement for value enabler business models is likely to deviate from traditional firm structures. A multi-sided value centered DMO business model might be more likely to organize value creation as project-based competence network rather than a functional organization [Steiner (2017), for an empirical illustration]. Reinhold and colleagues (2015, 2017) refer to this as a notion of organizational liquidity. Alternatively, researchers could apply our framework to look at the permanence of activities added to key processes.

Finally, researchers can extend our framework by considering additional dimensions relevant to DMO business models as well as what the ideal types imply for DMOs attempting to transform their business model. For example, it might be easier for DMOs with a business model akin to a destination factory to transition to a value orchestrator-like model than a configuration close to a destination service center. In particular, transitions that require a shift in the dominant logic regarding perceived control may require DMOs to overcome substantial rigidities embedded in key actors' cognitive schemas (Chesbrough, 2010). Future work that combines our framework with literature on individual and group cognition has the potential to enrich our proposed business model typology.

From a managerial perspective, the four suggested ideal types offer two potential practical benefits: First, the two dimensions offer potential to reflect the assumptions, on which a currently operated DMO business model builds and what might happen if those were to change (zu Knyphausen-Aufsess *et al.*, 2006). Second, the ideal types serve as extreme configurations that offer inspiration in attempts to alter or innovate DMO business models – be it in the form of the analogies they offer or transfer of specific relationships among design decisions (Martins *et al.*, 2015).

6. Conclusion

Tourism scholars recognize the challenges that arise from the role of the DMO in a destination setting and that this type of organization struggles for resources and legitimacy. However, scholars have but recently moved beyond a discussion of governance, activities, functions and competences to include how value is captured by DMOs. The literature is encouraging to embrace the DMOs challenges as research opportunity. The typological framework we developed points to the interdependencies of decision-maker's assumptions about the DMO and the destination as well as to the interdependencies in between DMO value creation and value capture. We hope our framework inspires future theoretical and empirical work on the nature of DMO business models and organized coordination and collaboration in destination settings. In addition, we hope that our framework also encourages policy maker and destination managers to consider alternative solutions to marketing and managing destinations that go beyond a mere institution-driven perspective.

Notes

1. Doty and Glick stress that empirical examples "may be more or less similar to an ideal type, but they should not be assigned to one of the ideal types in the typology" (1994, p. 245).
2. As examples, Grant (1996) lists manufacturing at the operational level, R&D at the (broad) functional level and new product development at the cross-functional level.

References

- Allee, V. (2008), "Value network analysis and value conversion of tangible and intangible assets", *Journal of Intellectual Capital*, Vol. 9 No. 1, pp. 5-24.
- Arend, R.J. (2013), "The business model: present and future—beyond a skeumorph", *Strategic Organization*, Vol. 11 No. 4, pp. 390-402.
- Arnaboldi, M., Lapsley, I. and Steccolini, I. (2015), "Performance management in the public sector: the ultimate challenge", *Financial Accountability & Management*, Vol. 31 No. 1, pp. 1-22, doi: [10.1111/faam.12049](https://doi.org/10.1111/faam.12049).
- Aversa, P., Haefliger, S., Rossi, A. and Baden-Fuller, C. (2015), "From business model to business modelling: modularity and manipulation", in Baden-Fuller, C. and Mangematin, V. (Eds), *Business*

Models and Modelling (Advances in Strategic Management), Emerald Group Publishing Limited, Vol. 33, pp. 151-185.

Baden-Fuller, C. and Mangematin, V. (2013), "Business models: a challenging agenda", *Strategic Organization*, Vol. 11 No. 4, pp. 418-427.

Baden-Fuller, C. and Morgan, M.S. (2010), "Business models as models", *Long Range Planning*, Vol. 43 Nos 2/3, pp. 156-171.

Bailey, K.D. (1994), *Typologies and Taxonomies: an Introduction to Classification Techniques*, Sage, Vol. 102.

Beritelli, P. and Laesser, C. (2014), "Getting the cash-cow directors on board—an alternative view on financing DMOs", *Journal of Destination Marketing & Management*, Vol. 2 No. 4, pp. 213-220.

Beritelli, P., Bieger, T. and Laesser, C. (2007), "Destination governance: using corporate governance theories as a foundation for effective destination management", *Journal of Travel Research*, Vol. 46 No. 1, pp. 96-107, ISBN: 978-3-9523471-9-5.

Beritelli, P., Bieger, T. and Laesser, C. (2014), "The new frontiers of destination management applying variable geometry as a function-based approach", *Journal of Travel Research*, Vol. 53 No. 4, pp. 403-417.

Beritelli, P., Buffa, F. and Martini, U. (2015a), "The coordinating DMO or coordinators in the DMO? – an alternative perspective with the help of network analysis", *Tourism Review*, Vol. 70 No. 1, pp. 24-42, doi: [10.1108/TR-04-2014-0018](https://doi.org/10.1108/TR-04-2014-0018).

Beritelli, P., Reinhold, S., Laesser, C. and Bieger, T. (2015b), *The St. Gallen Model for Destination Management*, 1st ed., IMP-HSG, St. Gallen, ISBN: 978-3-9523471-9-5.

Bieger, T. (1998), "Reengineering destination marketing organisations: the case of Switzerland", *The Tourist Review*, Vol. 53 No. 3, pp. 4-17.

Bieger, T. and Beritelli, P. (2013), *Management von Destinationen*, 8th ed., Oldenbourg, München.

Bieger, T., Beritelli, P. and Laesser, C. (2009), "Size matters!-increasing DMO effectiveness and extending tourist destination boundaries", *Turizam: znanstveno-stručni časopis*, Vol. 57 No. 3, pp. 309-327.

Bieger, T., Bronzini, M., Diermeier, K., Künzi, G., Loser, W., Meier, A., Müller, H., Suter, H. and Ziltener, W. (1998), *Neue Strukturen im Schweizer Tourismus–Das Konzept. Neue Strukturen im Tourismus–Der Weg der Schweiz*, Bern, Stuttgart, Paul Haupt, Wien, pp. 15-50.

Bornhorst, T., Brent Ritchie, J.R. and Sheehan, L. (2010), "Determinants of tourism success for DMOs destinations: an empirical examination of stakeholders' perspectives", *Tourism management*, Vol. 31 No. 5, pp. 572-589, doi: <http://dx.doi.org/10.1016/j.tourman.2009.06.008>.

Casadesus-Masanell, R. and Ricart, J.E. (2010), "From strategy to business models and onto tactics", *Long Range Planning*, Vol. 43 Nos 2/3, pp. 195-215.

Chesbrough, H.W. (2010), "Business model innovation: opportunities and barriers", *Long Range Planning*, Vol. 43 Nos 2/3, pp. 354-363.

Cohen, E. (1972), "Toward a sociology of international tourism", *Social Research*, Vol. 39 No. 1, pp. 164-182.

Cornelissen, J. (2017), "Editor's comments: developing propositions, a process model, or a typology? Addressing the challenges of writing theory without a boilerplate", *Academy of Management Review*, Vol. 42 No. 1, pp. 1-9, doi: [10.5465/amr.2016.0196](https://doi.org/10.5465/amr.2016.0196).

Curriss, T., Lonti, Z. and Joumard, I. (2007), "Improving public sector efficiency: challenges and opportunities", *OECD Journal on Budgeting*, Vol. 7 No. 1, p. 1.

d'Angella, F., De Carlo, M. and Sainaghi, R. (2010), "Archetypes of destination governance: a comparison of international destinations", *Tourism Review*, Vol. 65 No. 4, pp. 61-73, doi: [10.1108/16605371011093872](https://doi.org/10.1108/16605371011093872).

Day, G.S. (2011), "Closing the marketing capabilities gap", *Journal of Marketing*, Vol. 75 No. 4, pp. 183-195.

Delbridge, R. and Fiss, P.C. (2013), "Editors' comments: styles of theorizing and the social organization of knowledge", *Academy of Management Review*, Vol. 38 No. 3, pp. 325-331, doi: [10.5465/amr.2013.0085](https://doi.org/10.5465/amr.2013.0085).

- DMAI (2014), *Destination Next: A Strategic Road Map for the Next Generation of Global Destination Marketing*, Washington.
- Doty, D.H. and Glick, W.H. (1994), "Typologies as a unique form of theory building: toward improved understanding and modeling", *The Academy of Management Review*, Vol. 19 No. 2, pp. 230-251, doi: [10.2307/258704](https://doi.org/10.2307/258704).
- Eckhardt, J.T. (2013), "Opportunities in business model research", *Strategic Organization*, Vol. 11 No. 4, pp. 412-417.
- Flagestad, A. and Hope, C.A. (2001), "Strategic success in winter sports destinations: a sustainable value creation perspective", *Tourism management*, Vol. 22 No. 5, pp. 445-461, doi: [http://dx.doi.org/10.1016/S0261-5177\(01\)00010-3](http://dx.doi.org/10.1016/S0261-5177(01)00010-3).
- Furnari, S. (2015), "A cognitive mapping approach to business models: representing causal structures and mechanisms", in Baden-Fuller, C. and Mangematin, V. (Eds), *Business Models and Modelling (Advances in Strategic Management)*, Emerald Group Publishing Limited, Vol. 33, pp. 207-239.
- Gary, M.S. and Wood, R.E. (2011), "Mental models, decision rules, and performance heterogeneity", *Strategic Management Journal*, Vol. 32 No. 6, pp. 569-594.
- Grant, R.M. (1996), "Prospering in dynamically-competitive environments: organizational capability as knowledge integration", *Organization Science*, Vol. 7 No. 4, pp. 375-387.
- Gretzel, U., Fesenmaier, D.R., Formica, S. and O'Leary, J.T. (2006), "Searching for the future: challenges faced by destination marketing organizations", *Journal of Travel Research*, Vol. 45 No. 2, pp. 116-126.
- Guttentag, D. (2015), "Airbnb: disruptive innovation and the rise of an informal tourism accommodation sector", *Current Issues in Tourism*, Vol. 18 No. 12, pp. 1192-1217.
- Hambrick, D.C. (1984), "Taxonomic approaches to studying strategy: some conceptual and methodological issues", *Journal of Management*, Vol. 10 No. 1, pp. 27-41, doi: [10.1177/014920638401000104](https://doi.org/10.1177/014920638401000104).
- Hamel, G. and Valikangas, L. (2003), "The quest for resilience", *Harvard Business Review*, Vol. 81 No. 9, pp. 52-65.
- Haugland, S.A., Ness, H., Grønseth, B.-O. and Aarstad, J. (2011), "Development of tourism destinations: an integrated multilevel perspective", *Annals of Tourism Research*, Vol. 38 No. 1, pp. 268-290, doi: <http://dx.doi.org/10.1016/j.annals.2010.08.008>.
- Hristov, D. and Ramkissoon, H. (2016), "Leadership in destination management organisations", *Annals of Tourism Research*, Vol. 61 (November), pp. 230-234.
- Hristov, D. and Zehrer, A. (2015), "The destination paradigm continuum revisited: Dmos serving as leadership networks", *Tourism Review*, Vol. 70 No. 2.
- Laesser, C. and Beritelli, P. (2013), "St. Gallen consensus on destination management", *Journal of Destination Marketing & Management*, Vol. 2 No. 1, pp. 46-49.
- Lambea Llop, N. (2017), "A policy approach to the impact of tourist dwellings in condominiums and neighbourhoods in Barcelona", *Urban Research & Practice*, Vol. 10 No. 1, pp. 120-129, doi: [10.1080/17535069.2017.1250522](https://doi.org/10.1080/17535069.2017.1250522).
- McGrath, R.G. (2010), "Business models: a discovery driven approach", *Long Range Planning*, Vol. 43 Nos 2/3, pp. 247-261.
- McNamara, P., Peck, S.I. and Sasson, A. (2013), "Competing business models, value creation and appropriation in English football", *Long Range Planning*, Vol. 46 No. 6, pp. 475-487.
- Martins, L.L., Rindova, V.P. and Greenbaum, B.E. (2015), "Unlocking the hidden value of concepts: a cognitive approach to business model innovation", *Strategic Entrepreneurship Journal*, Vol. 9 No. 1, pp. 99-117, doi: [10.1002/sej.1191](https://doi.org/10.1002/sej.1191).
- Massa, L., Tucci, C. and Afuah, A. (2017), "A critical assessment of business model research", *Academy of Management Annals*, Vol. 11 No. 1, pp. 73-104, doi: [10.5465/annals.2014.0072](https://doi.org/10.5465/annals.2014.0072).
- Mikhalkina, T. and Cabantous, L. (2015), "Business model innovation: how iconic business models emerge", in Baden-Fuller, C. and Mangematin, V. (Eds), *Business Models and Modelling (Advances in Strategic Management)*, Emerald Group Publishing Limited, Vol. 33, pp. 59-95.
- Miles, R.E. and Snow, C.C. (1992), "Causes of failure in network organizations", *California Management Review*, Vol. 34 No. 4, pp. 53-72.

- Padian, K. (1999), "Charles Darwin's views of classification in theory and practice", *Systematic Biology*, Vol. 48 No. 2, pp. 352-364, doi: [10.1080/106351599260337](https://doi.org/10.1080/106351599260337).
- Pearce, D.G. (2015), "Destination management in New Zealand: structures and functions", *Journal of Destination Marketing & Management*, Vol. 4 No. 1, pp. 1-12, doi: [http://dx. doi.org/10.1016/j.jdmm.2014.12.001](http://dx.doi.org/10.1016/j.jdmm.2014.12.001).
- Pearce, D.G. (2016a), "Destination management: plans and practitioners' perspectives in New Zealand", *Tourism Planning & Development*, Vol. 13 No. 1, pp. 52-71, doi: [10.1080/21568316.2015.1076511](https://doi.org/10.1080/21568316.2015.1076511).
- Pearce, D.G. (2016b), "Interdependent destination management functions", *Tourism Recreation Research*, Vol. 41 No. 1, pp. 37-48, doi: [10.1080/02508281.2015.1119433](https://doi.org/10.1080/02508281.2015.1119433).
- Peppard, J. and Rylander, A. (2006), "From value chain to value network: insights for mobile operators", *European Management Journal*, Vol. 24 Nos 2/3, pp. 128-141.
- Pike, S. (2016), "Destination marketing organizations—research opportunities in an era of uncertainty", Paper presented at the Book of Abstracts-6th International Conference on Tourism.
- Pike, S. and Page, S.J. (2014), "Destination marketing organizations and destination marketing: a narrative analysis of the literature", *Tourism management*, Vol. 41 (April), pp. 202-227, doi: [http://dx. doi.org/10.1016/j.tourman.2013.09.009](http://dx.doi.org/10.1016/j.tourman.2013.09.009).
- Porac, J.F., Ventresca, M.J. and Mishina, Y. (2002), "Interorganizational cognition and interpretation", in Baum, J.A.C. (Ed.), *The Blackwell Companion to Organizations*, Blackwell Publishers Inc, Oxford, pp. 579-598.
- Prahalad, C.K. and Bettis, R.A. (1986), "The dominant logic: a new linkage between diversity and performance", *Strategic Management Journal*, Vol. 7 No. 6, pp. 485-501.
- Presenza, A., Sheehan, L. and Ritchie, J.B. (2005), "Towards a model of the roles and activities of destination management organizations", *Journal of Hospitality, Tourism and Leisure Science*, Vol. 3 No. 1, pp. 1-16.
- Reinhold, S. and Dolnicar, S. (2017), *Airbnb's Business Model Peer-to-Peer Accommodation Networks: Pushing the Boundaries*, Goodfellow Publishers, Oxford, pp. 27-38, doi: [10.23912/9781911396512-3601](https://doi.org/10.23912/9781911396512-3601).
- Reinhold, S., Laesser, C. and Beritelli, P. (2015), "2014 St. Gallen consensus on destination management", *Journal of Destination Marketing & Management*, Vol. 4 No. 2, pp. 137-142, doi: <https://doi.org/10.1016/j.jdmm.2015.03.006>.
- Reinhold, S., Laesser, C. and Beritelli, P. (2017), "The 2016 consensus on advances in destination management", *Journal of Destination Marketing & Management*, doi: <https://doi.org/10.1016/j.jdmm.2017.03.001>.
- Reinhold, S., Zach, F.J. and Krizaj, D. (2017), "Business models in tourism: a review and research agenda", *Tourism Review*, Vol. 72 No. 4, pp. 462-482, doi: <https://doi.org/10.1108/TR-05-2017-0094>.
- Rumble, R. and Mangematin, V. (2015), "Business model implementation: the antecedents of multi-sidedness", in Baden-Fuller, C. and Mangematin, V. (Eds), *Business Models and Modelling (Advances in Strategic Management)*, Emerald Group Publishing Limited, Vol. 33, pp. 97-131.
- Sainaghi, R. (2006), "From contents to processes: versus a dynamic destination management model (DDMM)", *Tourism management*, Vol. 27 No. 5, pp. 1053-1063.
- Savage, G.T., Nix, T.W., Whitehead, C.J. and Blair, J.D. (1991), "Strategies for assessing and managing organizational stakeholders", *The Academy of Management Executive*, Vol. 5 No. 2, pp. 61-75.
- Serra, J., Font, X. and Ivanova, M. (2016), "Creating shared value in destination management organisations: the case of turisme de Barcelona", *Journal of Destination Marketing & Management*, Vol. 6 No. 4, doi: <http://dx.doi.org/10.1016/j.jdmm.2016.06.005>.
- Sheehan, L.R. and Ritchie, J.R.B. (2005), "Destination stakeholders exploring identity and salience", *Annals of Tourism Research*, Vol. 32 No. 3, pp. 711-734, doi: [http://dx. doi.org/10.1016/j.annals.2004.10.013](http://dx.doi.org/10.1016/j.annals.2004.10.013).
- Sheehan, L.R., Vargas-Sánchez, A., Presenza, A. and Abbate, T. (2016), "The use of intelligence in tourism destination management: an emerging role for DMOs", *International Journal of Tourism Research*, Vol. 18 No. 6, pp. 549-557.
- Socher, K. (2000), "Reforming destination management organisations and financing", *The Tourist Review*, Vol. 55 No. 2, pp. 39-44, doi: [10.1108/eb058332](https://doi.org/10.1108/eb058332).

- Spyriadis, T., Fletcher, J. and Fyall, A. (2013), "Destination management organisational structures", *Trends in European Tourism Planning and Organisation*, Channel View Publications, pp. 77-91.
- Steiner, T. (2017), "The top spot economy – tourism at the end of destination marketing", in Bieger, T., Beritelli, P. & Laesser, C. (Eds), *Markt- und Branchenentwicklungen im alpinen Tourismus. Schweizer Jahrbuch für Tourismus 2016/2017*, ESV, Berlin, pp. 41-46.
- Teece, D.J. (2010), "Business models, business strategy and innovation", *Long Range Planning*, Vol. 43 Nos 2/3, pp. 172-194.
- Tywoniak, S.A. and Groupe, H. (1998), "Le Modèle des Ressources et des Compétences: Un Nouveau Paradigme pour le Management Stratégique", in Laroche, H. and Nioche, J.P. (dir), *Repenser la stratégie-Fondements et Perspectives*, Vuibert, pp. 166-204.
- Wang, Y. (2008), "Collaborative destination marketing: roles and strategies of convention and visitors bureaus", *Journal of Vacation Marketing*, Vol. 14 No. 3, pp. 191-209.
- Wang, Y. (2011), "Destination marketing and management: scope, definition and structures", in Wang, Y. and Pizam, A. (Eds), *Destination Marketing and Management: Theories and Applications*, CAB International, Cambridge, MA, pp. 1-20.
- WTO (2007), *A Practical Guide to Tourism Destination Management*, World Tourism Organization (WTO).
- Zott, C. and Amit, R. (2008), "The fit between product market strategy and business model: implications for firm performance", *Strategic Management Journal*, Vol. 29 No. 1, pp. 1-26.
- Zott, C. and Amit, R. (2010), "Business model design: an activity system perspective", *Long Range Planning*, Vol. 43 Nos 2/3, pp. 216-226.
- zu Knyphausen-Aufsess, D., Bickhoff, N. and Bieger, T. (2006), "Understanding and breaking the rules of business: toward a systematic four-step process", *Business Horizons*, Vol. 49 No. 5, pp. 369-377.

Corresponding author

Pietro Beritelli can be contacted at: pietro.beritelli@unisg.ch

For instructions on how to order reprints of this article, please visit our website:
www.emeraldgroupublishing.com/licensing/reprints.htm
Or contact us for further details: permissions@emeraldinsight.com