

Strategy and Framework for Tourism in the Baltic Sea Region Countries

Cultural and Nature Tourism in the Baltic Sea Region Countries

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Strategy and Framework for Cultural and Nature Tourism in the Baltic Sea Region Countries



Lise Lyck



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**Copenhagen
Business School**
HANDELSHØJSKOLEN

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Lise Lyck

Preface

This publication is the last of three publications produced at Copenhagen Business School, Center for Tourism and Culture Management in the EU project AGORA 2.0.

The AGORA 2.0 project has focused on transnational product development in culture and nature tourism in the Baltic Sea Region's countries including Belarus but excluding Norway.

The three publications deal with:

- a) Instruments and tools needed for successful product development of culture and nature based tourism products.
- b) The cases in the AGORA 2.0 project within five themes: Castles, Red Brick Gothic, Sand Dunes, Forests and Stones. The publication includes SWOT analyses for all projects and presents the new products or those in the pipeline. It also includes the VIPER study with the questionnaires and the types of analyses based on the questionnaires.
- c) The present publication is on structure, strategy and frame for tourism product development. It points at the national goals, the EU goals and the conflict between achievements of the goals. It also stresses the need for a new mixture of *competition* and *cooperation* and the problems in relation to funding. The publication is also meant to give important knowledge for coming EU projects on tourism development.

The publication is based on work done by the project partners in cooperation with the Center for Tourism and Culture Management at the Copenhagen Business School.

Employees at the center have worked intensively with the publications. For the present publication, especially Mads Willemoes Hjardemaal, Thomas Fogde-Schmidt, Søren Toftelund Clausen and Katarzyna Petersen are to be thanked for their active and qualified research work and for their participation in the project at the conferences and seminars during the research period.

Also, lead partners Professor Dr. Wilhelm Steingrube and Betina Meliss are to be thanked for their interest and for coordinating activities.

The final responsibility for the publication is mine.

Lise Lyck

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Strategy and Framework for Tourism in the Baltic Sea Region

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1. Introduction

The long term tendencies for the EU economic development is not particular prosperous. The reason is found in the fact that both the GDP in the EU countries in relation to the world GDP as well as the size of the EU population in relation to the world population are decreasing. This implies relatively lower incomes in the EU and a change in the average age of the population with relatively more elderly people and an increased need for public services and a relatively smaller labor force. This long term development is also distinctive for the development in the Baltic Sea Region countries. The development implies that more export to the rest of the world as well as more tourists coming from the rest of the world to the EU should be on the main EU political agenda as well as on the agenda for the Baltic Sea countries. It is simply needed if the Baltic Sea Region countries shall continue to have an economic development with economic growth.

The economic and financial crisis since September 2008 has deepened the problematic situation. It was seen in the press release after the G20 meeting in June 2012. Here, tourism was mentioned for the first time by the G20 countries and it was stressed that tourism development worldwide has to be given priority, as a policy to create jobs and to create economic growth as well as a recovery policy (WTTC, 2012). Tourism in this context includes transportation, shopping, attractions and events, accommodation and meals, i.e. all elements in leisure and business tourism.

EU had already given more attention to tourism by including tourism in the Lisbon Treaty, approved during 2007 and ratified in 2008. Part One of the Treaty on the Functioning of the European Union provides that tourism falls within those actions designed to 'support, coordinate or supplement the actions of the Member States', i.e. within the EU's powers to support the Member States (Article 6(d)).

The new legal basis (Article 195, Part 3) develops this concept, by stipulating that the Union shall complement the action of the Member States in the tourism sector, in particular by promoting the competitiveness of Union undertakings. There is thus no standalone European policy on tourism; instead, the EU tries to encourage a favorable framework for economic development and facilitate cooperation between Member States in that area, through the exchange of good practices.

Furthermore, Article 195(2) firstly provides for recourse to the ordinary legislative procedure, in essence co-decision between the European Parliament and the Council, the latter ruling by qualified majority, and secondly excludes any harmonization of national laws and regulations, in line with Article 6(d) (European Parliament, 2012).

On June 30, 2010, the European Commission published: Europe, the World's No. 1 tourist destination – a new political framework for tourism in Europe (European Commission, 2010). It was the first time a full agenda for tourism initiatives including 21 specific instruments was published.

It can be concluded that tourism has been given still higher priority as a creator of jobs and of economic growth as well as an important policy for development.

2. Introduction to tourism in the Baltic Sea Region countries

Tourism as a global industry with substantial impact on the global economy is a subject of concern for national authorities and business entities. Traditionally, tourism has been considered a *national* industry by the states, but as the development of tourism has become still more international due to the development of transportation possibilities and due to the liberal policy in most of the world, transnational ownership of tourism facilities as hotels etc. and establishment of international and global organizations have become part of the tourism structure and the framework for tourism activities. Among the impacts is the establishment of public and private organizations on the national and international level to support the industry.

In most countries, the organizing of tourism is divided into the public and private sector. The public sphere is represented by national tourism bodies with their regional and local units. The bodies are normally funded by government categorical grants and block grants. Matching grants, i.e. grants financed partly by the state and partly by the private sector or other bodies of the public sector are the dominating grant model used by the EU. It is also the model for financing AGORA 2.0. The two financing principles result in different structures of tourism in the different countries. The development is seen in the Lisbon Treaty. Here §195 deals with tourism in the EU policy field, see introduction.

The national regulation and structure of the public tourism authorities normally include the following main functions at a more or less developed level:

Figure 2.1: Framework for national regulation and structure of the public tourism authorities

Planning and control: <ul style="list-style-type: none">• Product research and planning of tourism facilities• Protection or restoration of tourism assets• Human resources planning and training• Licensing and supervision of industry sectors• Taxation policies	Marketing functions: <ul style="list-style-type: none">• Representing the nation as a tourist destination• Market research, forecasting trends, collecting and publishing relevant statistics• Providing tourist information centres• Advertising and public relations activities on the domestic and international market
Financial functions: <ul style="list-style-type: none">• Advising industry on capital invest• Development• Directing, approving and controlling programs of government aid for tourism projects	Coordination functions: <ul style="list-style-type: none">• Linking public institutions with the business professionals• Coordinating marketing activities with private tourist enterprises• Organizing opportunities for tourism buyers and sellers to meet and do business

Source: Ch. Holloway, C. Humphreys, "The Business of Tourism", Pearson, 2012

The public tourism institutions executing their functions are both focused on the supply and demand side. Their activities create or enhance demand for the particular tourist destination and product, and they also support the private tourist enterprises to meet the demand.

The private side of the tourism industry is also organized in many different bodies that include business professionals of various sectors e.g. hospitality, restaurants, travel guides community etc. as well as employers' and employee organisations. The purpose of these organizations is consolidation of marketing activities, cooperation within tourism product development and exchange of experience and knowledge.

The following will make use of the approach presented in figure 2.1 for analysing the organizational structure of tourism in each of countries participating in the AGORA 2.0 project. The countries are examined in alphabetic order.

2.1 Organizing of tourism in Belarus

The national tourism organization in Belarus is represented by the Belarus National Tourism Agency, a state company that was established by the Ministry of Sports and Tourism of Belarus on the 4th of March 2011. The main tasks of this agency are promotion of tourism in Belarus and fulfilment of the state policy of tourism development. Currently, the agency employs 13 people and has a central office in Minsk and a branch in Gomel.

The agency is concerned with certification of hotel and tourist services, organizing of workshops, development of excursion documentation and maintenance of the State Register of Guides of the Republic of Belarus. The marketing department of the agency is responsible for the exhibition activities, publication of the promotion materials and international cooperation in tourism. Belarus National Tourism Agency reports to the Ministry of Sports and Tourism of Belarus.

2.2 Organizing of tourism in Denmark

VisitDenmark is the official National Tourism Organization (NTO) in Denmark. After legal changes on 1st of July 2011, this means that international activities in relation to marketing and branding of Denmark are the task of VisitDenmark. This should lead to the strengthening of the international marketing effort, a more business-oriented VisitDenmark and a clearer division of labour between the different tourism stakeholders in Denmark (VisitDenmark.dk, 2012). Currently approximately 100 people work at VisitDenmark. The organization has representative offices in Sweden, Norway, Germany, the Netherlands, Japan, China, USA, Italy, and the UK. Much strategic focus is also put on Brazil, Russia and Australia. The organization receives 17.2 million Euros in annual grants from the Danish state. Additionally, VisitDenmark obtains private investments from partners, meaning that it has a total budget of 34 million Euros (OECD, 2012). 14.6 pct. of the total

budget is spent on administration, while the rest is used for market activities (VisitDenmark.dk, 2012). Some of the budget is used on matching grant activities to increase the total amount used for tourism promotion.

At the regional level, Denmark is divided into five tourism regions, namely North Jutland, Mid Jutland, South Jutland and Funen, Zealand, and Copenhagen including Bornholm. The largest one is Wonderful Copenhagen (WoCo), which is Copenhagen's official tourist organization (Wonderful-copenhagen.dk, 2012). Furthermore, approximately 80 authorised local tourist offices are spread across Denmark. In Denmark the 98 municipalities play a key role in the development of the tourism industry locally. In fact, municipalities annually spend a large amount of money on direct tourism promotion in the form of support to tourism offices and other local tourism promotion organizations.

At the private side, the nationwide organization HORESTA is an employer organization. It is probably the largest actor with its 2000 members from the hotel, restaurant and tourism sectors. In fact, HORESTA members account for 85 pct. of turnover in Denmark's hotel sector and more than 50 pct. of the country's restaurant turnover. As all the above mentioned organisations and initiatives only work on a national, regional or local level, it can be concluded that international cooperation has less priority.

2.3 Organizing of tourism in Estonia

Tourism development in Estonia and the implementation of the national tourism policy is a responsibility of the Estonian Tourist Board (ETB). This organization is a part of the Enterprise Estonia Network and represents a travel industry support body. ETB as a part of Enterprise Estonia was established in the year 2000 and participate in the overall strategy for country development. The objectives of the ETB are growth in tourism export and development of domestic tourism. The organization works very close with all Estonian Tourist Information Centres in order to include every county in its operations. Moreover, foreign representative offices are established in Helsinki, Stockholm, London, Hamburg, Moscow, St. Petersburg, Kiev, California, Shanghai and Tokyo. The international presence is established in order to strengthen good reputation of Estonia and create an efficient business environment for global cooperation. The general budget of Enterprise Estonia for the years 2007-2013 amounts for 206 million Euros.

The supply side of Estonian tourism is represented by several organizations gathering particular groups of tourism stakeholders, e.g.:

- Estonian Rural Tourism Association
- SPA Association
- Ramblers Association
- Estonian Fund and Nature

- Estonian Association of Travel Agents
- Estonian Hotel and Restaurant Association
- South-Estonian Tourism Gate
- Tallinn City Tourist Office & Convention Bureau
- Estonian Convention Bureau

2.4 Organizing of tourism in Finland

The Finnish Tourist Board (FTB) is an agency under the Ministry of Employment and the Economy is responsible for actively promoting international tourism to Finland and continuously improving the country brand of Finland abroad. Its operations are primarily funded by state budget, while the FTB is working closely with ministries, travel businesses, transport companies and Finnish regions. This cooperation involves research, product development and, most importantly, marketing of tourism to Finland from abroad (FTB Annual Report, 2011). In 2011, the total budget for the FTB is 11.7 million Euro, of which 10.3 million stems from public funding (OCED, 2012). The FTB operates under the name VisitFinland in foreign countries and is represented in the key target countries of UK, Russia, Germany, France, Spain, Italy, the Netherlands, Sweden, USA, China, Japan and India. Within Finnish borders, the brand VisitFinland is also often used.

At a regional basis, Finland is divided into four tourism regions; Helsinki, Lapland, Lakeland as well as the coastal areas and archipelago. In fact, regional policy is closely connected to tourism in Finland, as tourism is a significant industry for regional development in the country, especially in the less developed regions of Eastern and Northern Finland. Each of the four regions has several sub regions, working on the local level of tourism. Local tourism issues are, however, primarily handled by municipalities and local information centres (OECD, 2012).

At the private side, tourism trade and labour market associations support the Finnish tourism industry. For example, the Finnish Hospitality Association (MaRa) is a trade and labour market association, with 2400 member companies representing the sectors of accommodation, restaurants, and travel and adventure services in Finland. The amount of members represents 80-90 pct. of the total turnover of the tourism sector in the country (OECD, 2012). In terms of international cooperation, all five Nordic countries have collaboration in the US through their joint marketing company Scandinavian Tourism Inc. The FTB is also a member of the European Tourist Commission and the Baltic Sea Tourist Commission (FTB Annual Report, 2011; BTC, 2012).

2.5 Organizing of tourism in Germany

The German National Tourist Board (GNTB) is the NTO in Germany. GNTB has two main objectives, namely enhancing the positive image of German towns, cities and regions at home and abroad as well as promoting travel to and inside Germany. The organization works on behalf of the Federal

Ministry of Economics and Technology, which also means it receives funding from the state. It, is however, also supported by private organizations. The idea of public-private partnership has always been one of the GNTB's guiding principles. In fact, these partnerships are now more important than ever due to current budgetary constraints and intensifying competition. Overall, the total budget for the GNTB in 2012 is 37.7 million Euros (OECD, 2012). The GNTB has 29 representative offices, divided into six regional management areas; Northwest Europe, Northeast Europe, Southwest Europe, Southeast Europe, America and Asia. Furthermore, GNTB is also working in other countries and regions, where it does, however, not have local representation. For example, four PR agencies for South Africa, Turkey, South Korea and for the Baltic States are supporting the GNTB (GNTB, 2012).

Regionally, Germany is divided into 16 different regional marketing offices, in accordance with German Länder. These also take care of local tourism. In relation to the private part of the tourism in Germany, the GNTB has 78 private partners that are working to enhance tourism in the country.

2.6 Organizing of tourism in Latvia

Latvian tourism policy is coordinated by the Latvian Tourism Development Agency (LTDA) which is a state organization supervised by the Department of Tourism in the Ministry of Economics. At the regional level, the LTDA operates four regional tourism departments (Vidzeme, Kurzeme, Latgale, and Zemgale). On the local level, development and support of tourism is handled by the local municipalities and tourism information centres. Moreover, in 2009 the Advisory Council of the LTDA was established. This consultative body brings together all major tourism and marketing organizations in order to coordinate tourism promotion activities. The council serves as an advisory authority in issues regarding the activity of LTDA and its decisions are made in the form of recommendations. The council analyses the agency performance results, provides the Minister of Economics with conclusions and recommendations on the medium-term activity and marketing strategy, as well as on the implementation of the current operating plan and the improvement of overall performance. The LTDA implements national tourism policy and promotes tourism as a sector of the state economy. The budget of the organization allocated for three years (2010-2013) amounts to 2.3 million Euros.

Besides participation in the Latvian Tourism Advisory Council the supply side of tourism cooperates in several associations and other nongovernmental organizations that participate in elaboration and implementation of the tourism state policy, nationally and locally. The major tourism associations are:

- Association of Latvian Travel Agents
- Latvian Hotel and Restaurant Association
- Latvian Rural Tourism Association

- Latvian Youth Hostels Association
- Latvian Professional Tour Guide Association
- Latvian Association of Tourist Information Organizations “LATTURINFO”
- Latvian Campsite Association
- Tourism Education Association of Latvia
- e-tourism Association of Latvia
- Eco-tourism Union of Latvia
- Inspiration Riga - Riga Convention Bureau

2.7 Organizing of tourism in Lithuania

The national tourism policy of Lithuania is planned in the Ministry of Economy. The State Department of Tourism subordinated to the ministry is accountable for tourism marketing, implementation of EU projects and overall supervision of the tourism market. Moreover, the ministry has a counselling body – The Tourism Council of Lithuania includes representatives from all levels of the tourism industry. Tourism at the local level is dealt with by the municipalities together with the network of tourism information centres.

At the supply side, two main organizations are working in Lithuania:

- The Chamber for Tourism of Lithuania, which represents eight tourism business associations (Hotel and Restaurant, Countryside Tourism, Health Resorts, Tourism Business, Camps, Castles and Manors, Private Healthcare Establishments, and SPA)
- The Lithuanian Tourism Association (LTA) that represents Lithuanian tour operators and agencies

The current annual budget of The State Department of Tourism amounts to 1.4 million Euros, and is supported by EU structural assistance of 240 million Euros (for the years 2007-2013).

2.8 Organizing of tourism in Poland

The national tourism organization of Poland is represented by POT (Polska Organizacja Turystyczna- in Eng. Polish Tourism Organization) that is one of 200 NTO's worldwide. POT consists of a headquarter located in Warsaw (80 employees) and representative offices in 14 countries (approx. 20 employees): Austria, Belgium, France, Spain, Netherlands, Japan, Germany, USA, Russia, Sweden, Hungary, UK, Italy and Ukraine. POT is a governmental institution, planned in the Ministry of Sport and Tourism of the Republic of Poland. The main objective of POT is promotion of Poland as an attractive destination for domestic and foreign tourists. This general objective is executed by:

- Creating Marketing Strategy for Poland (the latest is made for years 2012-2020)
- Production of promotional materials
- Support and cooperation with local tourism organizations on the regional, district and city level
- Support and cooperation with tourism professionals' associations
- Organizing of the national stands in the international tourism fairs
- Organizing of study tours for international tour operators and journalists
- Tourism research projects and statistical reporting

The budget of POT is assigned annually and amounts to approx. 9 million Euros. The budget is supposed to meet the operational and statutory objectives and is covered by the national budget of Poland. Additionally, the organization obtains some financial funds from EU, e.g. in years 2007-2013 it was granted 36 million Euros.

POT is designed as a three-level organization which means that it has a network of agents on the regional level (ROT- Regional Tourism Organization) and local- district and municipality level (LOT – Local Tourism Organization). The objectives are similar to the three of the central level entity but focused on the particular geo-administrative territory.

The supply side of the tourism industry in Poland is represented by eight different associations of tourism professionals uniting hospitality, tour-operators and agents, camping/caravanning and spas. The main objective of each association is cooperation in terms of a product/service development, marketing, training and education.

Tourism research and development on the national level is covered by Instytut Turystyki (Institute of Tourism) which was established by the Polish government in year 1972. This entity is the only Polish institute providing interdisciplinary tourism studies and supplying tourism industry with research, analyses, expertise, seminars and training. Instytut Turystyki operates in a strictly commercial way, i.e. the offered products are traded for market value.

2.9 Organizing of tourism in Kaliningrad

Kaliningrad is an oblast of the Russian Federation. It means that the development and activities are mainly decided centrally in Moscow. It is estimated that three quarters of the tourists come from Russia. It is planned that tourism income from tourists from outside Russia shall increase over time. This needs an improvement of the infrastructure and of the accessibility.

2.10 Organizing of tourism in Sweden

VisitSweden is the NTO in Sweden, and is stated to be a communications company that works to internationally promote the brand of Sweden as well as the Swedish destinations and experiences. The organization prioritizes 12 foreign markets for the international marketing of Sweden, and therefore has representative offices in Denmark, Finland, Norway, France, Germany, the UK, Italy, Russia, Spain, the Netherlands, China and the US (VisitSweden.com, 2012a). VisitSweden is half-owned by the Swedish state, through the Ministry of Enterprise, Energy and Communications, and half-owned by the Swedish tourism industry, through Svensk Turism AB. The budget for VisitSweden has for many years been financed by the state with around 13 million Euros, which has been matched by a similar sum from industry stakeholders (OECD, 2012). As of fall 2012, however, funding from the Swedish state was reduced with 4.5 million Euros (Standby, 2012). Currently 90 people work in VisitSweden (VisitSweden.com, 2012b).

The organization of tourism in Sweden is regionally divided into three parts, namely Southern Sweden, Central Sweden and Northern Sweden. Each of them has between 5 and 12 local divisions in each region. The regional tourism organizations work with developing the local tourism industry. Their primary task is to market and coordinate the local industry and the region. These organizations are financed by municipalities, county councils and private organizations or a membership system and are in that way independent of VisitSweden (VisitSweden.com, 2012c). At the regional and local level, tourism organizations are therefore managed respectively by regional and community authorities (OECD, 2012).

Privately, Swedish tourism is represented by various organizations. Among the larger ones is Visita and Trip.se. The former represents about 5,600 workplaces, which altogether represents the majority of the hotel- and restaurant sector's total turnover. It works to assure that laws, regulations and general business conditions are designed to promote the sector's interests (Visita.se, 2012). The latter is a community for people working in or wanting to get in contact with actors in the tourism industry. Taking part in the community gives members access to features such as discussion forums, calendar of events, opportunities to create partnerships, information as well as career and training opportunities (trip.se, 2012).

Also working at the private side of the Swedish tourism industry is VisitSápmi, which is an interesting organization because it operates to promote international tourism cooperation. It is a tourism organization created and owned by the Swedish Reindeer Herders Association, and its main ambition is to seek cooperation with tourism organizations around the world, including Sámi operating in Norway, Finland and Russia (Visitsápmi.se, 2012).

2.11 Conclusion of organizing of tourism in the Baltic Sea Region countries

The analysis and overview of the organizing of tourism in the different Baltic Sea Region countries shows that almost no transnational cooperation exists in the Baltic Sea Region countries. In fact, except for promoting internationally all aspects on tourism in these countries are governed nationally. Consequently, it means that a lot of potential international cooperation between Baltic Sea Region countries is made difficult, leading to *too little cooperation and to too much competition* among the countries. Knowing that tourism is an international industry and that many other countries outside of Baltic Sea Region have successfully managed to cooperate, this creates a challenge for progress of tourism in the region.

Hence, in order for Baltic Sea Region tourism to really be successful, it is argued that transnational cooperation must be strengthened and that the concept Baltic Sea Region Tourism will have a higher priority among all involved countries. In the Baltic Sea Region, one of the only examples of such cooperation is the so-called 'pearls-on-a-string' cruise concept. The most important part of this successful concept is that it is based on an international understanding of tourism which is further based on a national financing of the tourism activities. As all know, the one who pays decides the activities in such a structure and frame for tourism. The national organization creates sub optimizing and challenges for an efficient cooperation in the Baltic Sea Region countries. In the cruise concept, it is many different ports around in the Baltic Sea Region that create and constitute the product itself. Therefore, tourism actors within the Baltic Sea Region needs to question whether they can somehow create other products with a high level of international cooperation. Looking at the AGORA framework, it could be argued that it is only the castle category (and to some extent the Red Brick Gothic category as well) that has managed to create such cooperation crossing borders.

The Association of Castles and Museums around the Baltic Sea is a non-political and non-profit organization, and its aim is to promote cooperation and to increase the understanding of the cultural heritage between castles and museums around the Baltic Sea (Visitcastles.dk, 2012). Nine Baltic Sea Region countries are represented in the association and have the possibility to implement successful products.

Table 1: Members of the Association of Castles and Museums around the Baltic Sea

Country	Castles
Denmark	Sønderskov Manor Vordingborg Castle Rosenborg Castle Sønderborg Castle Koldinghus Castle

	Kronborg Castle Nyborg Castle
Estonia	Vastseliina Castle Narva Castle Haapsalu Episcopal Castle
Finland	Turku Castle Raseborg Castle Suomenlinna Sea Fortress Svartholm Sea Fortress Lappeenranta Fortress Olavinlinna Castle Häme Castle Kastelholm Castle
Germany	Eutin Castle Gottorf Castle
Latvia	Turaida Castle Ventspils Rundāle Palace Bauska Castle Cēsis Castle
Lithuania	Trakai Peninsular Castle Grand Dukes' Palace in Vilnius Biržai Castle Gediminas Castle Tower
Poland	Pomeranian Dukes' Castle Malbork Castle
Sweden	Royal Palace of Stockholm Skokloster Castle Malmöhus Castle Nyköpingshus Castle

Gripsholm Castle
Kalmar Castle

Russia

Vyborg Castle
Peter and Paul Fortress
Suvorov Museum
Military-Historical Museum
Old Ladoga
Oreshek Fortress
Kaliningrad Castle

Source: www.visitcastles.eu

The Red Brick Gothic category is represented by the European Route of Red Brick Gothic, which is managed by the German Association for Housing, Urban and Spatial Development. It connects the historical traces of the Hanseatic Era across several countries, thereby offering tourists the opportunity to explore beautiful landscapes and a wide range of architectural attractions (Eurob.org, 2012). It is a great initiative but unfortunately only Denmark, Germany and Poland take part in the cooperation, which makes it difficult to implement products successfully across the whole Baltic Sea Region.

The marketing efforts from all such associations function as a platform for transnational tourism development as they are internationally oriented, but the product would not exist without transnational cooperation.

3. Development of the brand Baltic Sea Countries attractions

3.1 Introduction to the creating of transnational Baltic Sea Region tourist attractions

In order to study the possibility for creating transnational attractions five different themes were chosen: Castles, Red Brick Gothic, Sand Dunes, Forests and Stones. All themes include cultural as well as natural attractions found in the Baltic Sea countries but are at different development stages as attractions. To illustrate this “Butlers model” is applied.

3.2 TALC-model

Richard W. Butler in 1980 published the article “The Concept of a Tourist Area Cycle of Evolution: Implications for Management of Resources”. In this article Butler presents a model for the Tourist Attraction Life Cycle. This section presents Butler’s model and explain how the development in the model takes place.

The notion of a consistent process of development of tourist attractions has been vividly described by the German geographer Walter Christaller. In his article from 1963 he described the development of a tourist area as the development from undisturbed locations to fully developed tourist attractions. At first the attraction is undisturbed and unusual and is therefore able to attract individual artists that over time develop an artist colony. After the artist colony has been founded poets appear followed by cinema people, gourmets and other similar groups. With these groups of people entering the area the place becomes fashionable and entrepreneurs take advantage of the situation and start to convert local residences into boarding houses and hotels. While these developments take place the initial artists have moved on to find a new undiscovered place. More and more townspeople respond to the newspaper ads and visit the place. The development has made the poets, cinema people, gourmets and other similar groups to move on to new places. At last the package tours are offered which results in the indulged public avoiding the place (Butler, 2006: 3)

Based on this, Butler produced the TALC model. The model has five steps that a tourist attraction goes through over time. After these first five stages have unfolded the sixth stage can take a multitude of forms which will be elaborated further. The individual stages of Butler’s TALC-model are the following.

The first stage in Butler’s model is the *exploration stage* where visitors arrive in small numbers. At this stage the visitors make their own individual travel arrangements, primarily the tourists include non-locals that are attracted by the unique cultural and/or natural features that the area offers. As these visitors are first movers there are no facilities intended for tourists and therefore the use of

local facilities and interactions with the local population are likely to be high. At this stage the social milieu as well as the natural resources is likely to be unchanged by the presence of tourists.

The next step in the development of a tourist destination is the increase in the number of visitors as well as the frequency of visits that starts to show some regularity. The regularity of visits is to some degree attributed to the fact that some organizing of the tourist travel arrangements starts to take place. As these developments unfold the local residents will enter the second stage labelled the *involvement stage*. This involvement can be seen by the fact that local residents start to provide the tourists with facilities primarily or exclusively for tourist use. By providing these facilities the interaction between the locals and the tourists remain high or even increase. When tourism starts to get organized, advertisements will naturally start to appear as well as a tourist season will start to develop. The volume of tourists increases at this stage. It is expected that some pressure on government agencies to improve infrastructure as well as facilities for the tourists will start to occur.

After this more locally orientated involvement stage, the more organisationally oriented third stage, the *development stage*, take over. At this stage the area becomes a well-defined tourist market area that is shaped by massive advertisement. This stage is characterised by a declining role of the local residents as providers of the facilities for the tourists and the entry of external organisations to undertake these tasks. Especially in regards to accommodation the external organisation will take over the role as provider and build larger and more elaborated accommodations. Besides the development in facilities the cultural and natural attractions themselves will undergo a development and a specific market process will be created. In addition to the development of the original attraction, imported man-made facilities will start to crop up to broaden the offer of the area. In this development the local residents lose control of the development that instead is controlled by the government and the external organisations. Therefore developments at this stage may not appeal to all the local inhabitants. Not only the attractions and facilities change during this stage, so do the tourists. As the tourist is drawn from an increasingly larger market, the mind-set of the tourist at the attraction changes as well.

The development of the tourist area gives way to the next stage, the *consolidation stage* in the life cycle of tourist attractions. At this stage the number of visitors will still increase but at a far slower rate than experienced in the development stage. As opposed to the exploration and involvement stage the economy of the area is tightly connected with tourism at this stage of development. The facilities will be provided for by major franchises and chains and the local population will have no say in the running of the area which may spread discontent amongst local residents. As the area has developed, few if any, developments take place at this stage.

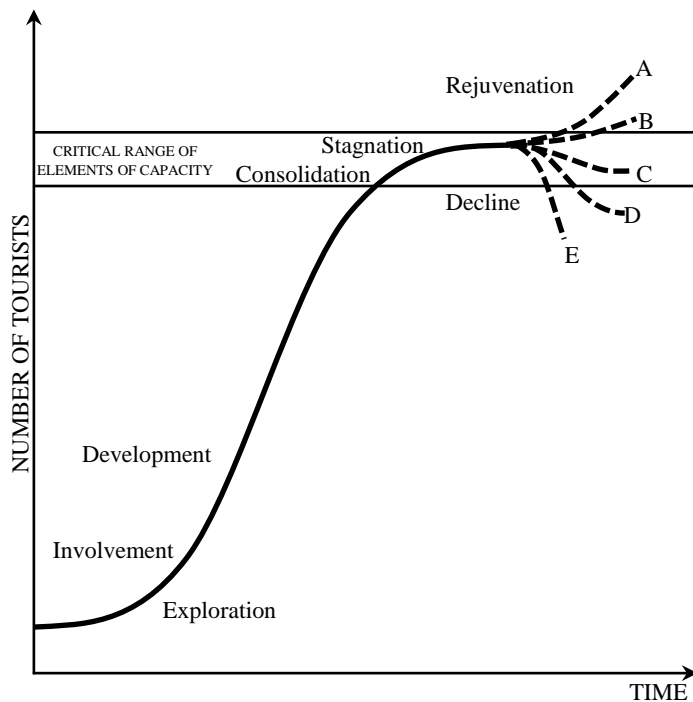
Finally, after the consolidation stage the *stagnation stage* occurs. The peak number of visitors has been reached and the capacity related to tourism have been reached or exceeded. The reason for the stagnating number of visitors is that even though the image of the area is well established the

destination is no longer fashionable and attractive. As a consequence there will be a heavy reliance on returning visitors and a strenuous effort will have to be undertaken in order to keep up the number of visitors. At this point in time the initial attraction of the area whether natural or cultural will probably have been superseded by manmade facilities and therefore the area takes on a resort character. New developments will take place in the periphery of the area and ownership of the tourist facilities will frequently change. Not only the area changes in the stagnation stage, so do the visitors.

After these five stages (exploration, involvement, development, consolidation and stagnation) have taken place the area can follow two different paths that lead to two quite different outcomes. The development that most attractions experience is the *decline stage* where the area is no longer able to compete with new attractions and therefore experiences a decline in the number of visitors. The visitors that come start to take more shape of day trippers or people going away for the weekend. As the number of tourists declines the facilities designed for tourists will start to be converted into other uses, for instance can hotels be converted into apartments or condominiums. As the major chains and external organisations move on to more lucrative business opportunities the local will again start to have a bigger role in the tourism industry that still remains. The risk is that the area will lose its attractiveness for the tourists or develop into a veritable tourism slum.

Alternatively the attraction can turn their attention toward *rejuvenation* of the attraction whereby a new stream of visitors would come to the attraction. Generally speaking there are two ways of rejuvenating an attraction. Firstly, prior untapped natural or cultural resources can be used to attract a new stream of tourists. Such untapped resources could be summer attraction using their position to offer winter sporting activities as well. An alternative to the untapped natural resources is the creation of additional manmade attractions. An example of this is Atlantic City that by introducing gambling casinos created a whole new visitor base (Butler, 2006: 4-8). This demands new investments.

Figure 3.1 – Butler’s TALC model



Source: Ref. the figure in Butler, 2006: 5

The model as a conceptualisation

This model is a conceptualisation of the tourist area development and therefore not all areas are expected to experience all the different stages of the model as clearly as others. Butler points to the cases of instant resorts as an example of areas that do not undergo all of the different stages. The instant resorts are areas that are chosen on grounds of a number of criteria's and then developed. It means that these areas do not undergo the exploration and involvement process. Therefore this model should not be perceived as a set model but as a general model for the evolution of tourist areas (Butler, 2006: 9-11)

3.3 Classification of the five AGORA theme groups into the TALC- model

The TALC-model presented above is not just a theoretical model but can be used to analyse at which stage attractions are approximately located. In order to show such classification the five themes of the AGORA 2.0-project will be plotted into the model and a description of the thoughts behind the plotting will be presented.

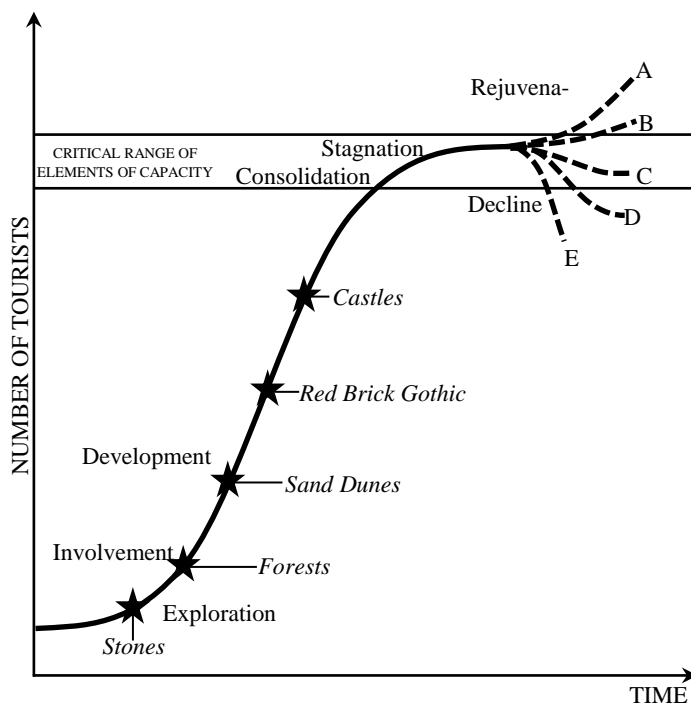
It should be stressed that the plotting of the project groups are merely an approximate classification. The placement in the TALC-model is made difficult due to the fact that there are a number of attractions in each category and even though these attractions have similar features they have

differences that make the plotting more difficult. The classification below should therefore be seen as approximate as it has to encompass these differences.

3.4 Classification of the AGORA theme attractions

As described in the second publication the five theme groups of the AGORA 2.0 project are castles, Red Brick Gothic, sand dunes, forests, and stones. Each of these groups consists of a number of tourist attractions that have the nature of their attraction in common, but are at slightly different stages of development. In the model below these groups have been classified into Butler's TALC-model where after a description of the classification of each individual group will be made.

Figure 3.2 - The theme groups plotted into Butler's TALC-model



Source: Ref. the figure in Butler, 2006: 5

Stones

The first group that is encountered when moving up in the TALC-model is stones. As described in the second publication this theme group is in an embryonic phase. The form and limitations of the attraction are not yet in place. It is not decide if the stones should be natural or cultural products. Included is only one attraction and it is a cultural type. This allows a somewhat accurate ranking of the attractions in Butler's TALC-model.

The attraction is the so-called cup-marked stones that are found in Northern Estonia. These cup-marked stones take many different shapes and sizes but highly resemble similar stones found in Sweden, Finland, Norway as well as Denmark.

The cup-marked stones have been plotted into the TALC-model in the early exploration stage. There are two main reasons for this plotting. The first is the nature of the tourists going here while the second is the lack of facilities and infrastructure.

In the exploration stage of the TALC-model the non-local visitors are characterised by the lack of organised tours of any kind. Therefore visitors at this stage will be making their own travel arrangements in the quest to experience the unique cultural and/or natural features of an area. Besides the lack of travel arrangements of tours to the area there are no travel arrangements in the area such as guided tours. The reason for this lack of tours is as described above that the area is still undiscovered by the vast audience. In the case of the cup-marked stones neither of these types of travel arrangements is present. This means that there are neither bureaus offering tours to the area nor are there guided tours around the area. Therefore the attraction appears to meet the requirements of the early exploration stage put forward by Butler.

Secondly, the undiscovered nature of the attraction means that few tourists are visiting the area and therefore there are no facilities built specifically for tourists. Instead the tourists will use the local facilities. When moving from the exploration stage to the involvement stage the facilities used by the tourists are primarily or exclusively focused on their use. One of the weaknesses drawn out in the SWOT-analyses are that the attraction is lacking tourist facilities such as shops, hotels and visitor centres. This indicates that facilities for the use of tourists have not emerged and therefore this criterion is deemed to be met as well.

All in all the analysis performed here suggests that the cup-marked stones of Estonia are only situated in the exploration stage of development. In the case collection in 'Agora 2.0 Attraction Analysis' Madsebakke on the Danish Island of Bornholm is also presented. It is to illustrate how the Estonian case can develop over time and become a fine tourist attraction

Forests

The second group that is plotted into the TALC-model is the forest theme. The theme includes two national parks located in Latvia and a forest area in the northern part of Belarus. As this group consists of somewhat developed national parks as well as an almost untouched forest area they will be placed into the TALC-model in the involvement stage. There are three main reasons for the plotting of the forest group into the involvement stage. Firstly, the existence of travel arrangements correspond to the claim put forward by Butler. At this stage Butler describes that the numbers of tourist start to assume some regularity and some organizing of tourist travel arrangements

starts to take place. Most of the areas in this theme services the tourists with organized guided tours of the area and therefore meets the requirement of travel arrangements.

Secondly, the providers of tourist facilities in the forest areas are primarily based on local involvement. The guides that undertake the tours mentioned above are often locals. Furthermore, the accommodations that are found in these areas are private homes or facilities run by the locals. This is consistent with the point put forward by Butler that it is the local residents that will undertake the role as service providers for the tourists.

The third and final reason for the plotting is the level of infrastructure. In his article Butler points to the fact the infrastructure at this level starts to become inadequate to accommodate the level of tourism that the area attracts. Therefore it is expected that a pressure on government agencies to improve infrastructure will start to occur. In their SWOT analyses two of the three attractions point to the lack of infrastructure as a weakness for the attraction.

Besides the argument that the forest project group is situated in the exploration stage there are also signs that some of the attractions are moving towards the development stage. The primary reason is that the attractions themselves are developed through the creation of tracks and organizing of guided tours. However, despite these developments the overall picture is that the forest theme is in the involvement stage.

Sand dunes

The next AGORA theme encountered in the TALC development stage is the sand dunes. This category consists of wandering sand dunes. It includes two separate sand dunes of which one is located in Poland while the second is shared between Lithuania and Russia. Also Råbjerg Mile in Denmark is enclosed. The intention is to elaborate on how the sand dunes can be further developed in close contact with other attractions in the area. The development stage has the largest span in the model and the precise location of this theme group must therefore be seen as more approximate. However, there is little doubt that all of these attraction are situated somewhere in the development stage. There are two main reasons for this assessment.

The first development that Butler describes as an indicator of the development stage in the TALC-model is that local residents start to have a declining (or vanished) role in the operating of the tourist facilities. Instead of the local engagement external actors take over especially accommodation by providing larger and more elaborate accommodations. This can especially be expected to be seen in the emergence of hotels where former accommodations were locally run boarding houses and the like. In the immediate surroundings of most of these sand dunes hotels are found which indicate that the facility provision has moved away from the hands of the local inhabitants. However, despite of this development this theme cannot be plotted in the end of the develop-

ment stage as there in addition to the hotels also exist such local run facilities as pension houses. The existence of both locally run and not locally run facilities implies that these attractions have entered the development stage but that they are not yet close to the end of this stage.

The second development in the development stage is the development of the attractions themselves. This development can of course take many shapes depending on what type of attraction in question. In the case of the sand dunes the development takes shape of tracks throughout the landscape, guided tours as well as information desks that provide information to the tourists.

The third development is related to the man-made attractions that start to appear around the attraction. In the case of sand dunes such activities include horseback riding, different types of water sport, angling and different types of museums. The prerequisite for all these activities already existed in the area but has been employed in order to provide tourists with a broader set of activities at the attraction.

Even though there are differences between these sand dunes they exhibit signs of the development stage and are therefore they plotted into this stage.

Red Brick Gothic

As shown in the model the project theme Red Brick Gothic is placed at a higher level of the TALC-model. The theme primarily includes attractions in Poland, Germany and Denmark. The churches in Denmark are mostly locally developed. The Red Brick Gothic has a platform in the organisation Red Brick Gothic Association (EuRoB).

EuRoB was founded in 2007 and has since then come to encompass cities, regions and heritage sites located in the southern Baltic region. The member base consists of 45 members of which 32 are cities or a region. The purpose of EuRoB is to foster, develop and promote a sustainable form of cultural tourism along the route. This is done by promoting art, culture, scientific research, historical learning and understanding amongst nations and people (eurob.org, 2012). It is due to this organization that the Red Brick Gothic is placed high in the TALC-model. However the organization is not as developed as the castle association described below which is why the Red Brick Gothic is placed further down than castles.

Table 2: Members of Red Brick Gothic Association (EuRoB)

Country	Red Brick Gothic attractions
Denmark	Haderslev Cathedral
Estonia	St. John's Church Tartu Dome Cathedral
Germany	Bad Doberan Minster and Charnel House Markt 11 St. Mary's Church Greifswald Ruins of the Eldena monastery St. Nicholas' Cathedral Stralsund Town Hall St. Mary's Church Stralsund St. Nicolas' Church Stralsund Church of the Holy Spirit Stralsund St. George's Church St. Nicholas' Church Wismar St. Mary's Church Wismar Church of the Holy Spirit Wismar St. Mary's Church at Bergen St. John's Church at Schaprode St. Mary's Church in Waase on Ummanz Poseritz Church St. John's Church St. Nicholas Church Lüneburg St. Nicholas' court in Bardowick Lüne Yard City Gates of Neubrandenburg St. John's Church and Franciscan Monastery Chapel of St. George Treptow Gate Rathaus Parchim St. Marienkirche St. Georgenkirche

Poland

Artus Court Gdansk
St. Mary's Church Gdansk
St. Nicholas' Church Gdansk
Warmia Chapter Castle
High Gate
Cathedral Church of St. James the Elder
Old Town Hall Olsztyn
Mazowieckich Dukes Palace
Plock Science Association
Defence Tower Plock
City Walls Plock
Malachowskiego College
Trumpet House
Town House Stargard Szczecinski
St. John's Baptist Church
Bastion
The Pyrzycka Gate
The Gothic House
St. John's Church Szczecin
Old City Hall Szczecin
St. Peter's and Paul's Church
St. James Cathedral
The Bridge Gate Torun
Cathedral Basilica of St. John the Baptist St.
John the Evangelist
The Leaning Gate Torun
Copernicus' House

Source: www.eurob.org

This theme group has undertaken a number of transnational product developments that all underscore the Red Brick Gothic placement on Butler's model. Such product development is furthermore seen in the European Route of Red Brick Gothic. This route has within the last year experienced an increased interest from bicycle tourists. Therefore two bicycle routes have been developed that connects Germany to Poland and Denmark. Another branch of the European Route of Red Brick Gothic is the car routes developed in Estonia and Latvia. Both of these initiatives show that the Red Brick Gothic is developed to a degree that places it in the development part of Butler's model.

Castles

The last theme category is castles. This category covers attractions in all the countries of the Baltic Sea region. However, the castle category does not consist of a homogenous group but of castles of different sizes and styles, i.e. diversity is a main characteristic. Despite of these differences it is possible to place the different castles in one theme group. As shown in Figure 3.2 this category is placed in the development stage in the TALC-model but has not yet reached the consolidation stage. The main reason for the placement of castles in the TALC-model is the well-developed castle association called Association of Castles and Museums around the Baltic Sea.

Under the motto: “44 Castles, One Sea, Common History” this organisation comprise of a vast number of castles and museums in the Baltic Sea Region. The association was founded in 1991 in Poland and the idea was to create a forum where people working with national history and cultural heritage could meet, create networks and exchange knowledge and ideas. The association rests on six different pillars: research, restoration, education, marketing, management and tourism. As the motto implies there are 44 castles that are members of the association situated in nine different countries. In order to become a member of the association the castles must be open to public and they have to be owned by the state, town, local community or a foundation. So far, there are thus no private owned castles included (visitcastles.eu, 2012). This association (from 1991) is older and more developed than the Red Brick Gothic association (from 2007) which is an important reason for the placing of castles in the TALC-model.

The theme category has also implemented a number of transnational product developments in the AGORA 2.0 project. One of these is the introduction of a castle route passport. This passport gives the visitors information of different castles in the region and the more castles they visit the more chances they have to receive a prize. Another transnational product development is the design of a timeline over Häme castle, Narva castle and Skokloster that tells the historical context of the castles. These product developments also contribute to the high placement of the category in the TALC-model.

3.5 Conclusion

Butler’s model can be used to classify the different theme attractions in the AGORA project. The tourism cooperation has an instrument for cooperation as a common platform, as an association is needed to develop a transnational Baltic Sea Country product. The stronger the association is the stronger is the platform and the possibilities for developing a transnational attraction of interest for tourists from all the Baltic countries.

4. The AIDA model

In order to place a destination or an attraction on the tourism map, customer-oriented heavy marketing and promotional campaigns must be carried out. Tourism marketing is a united effort of public and private organizations.

There are three elements of a successful destination: (1) uniqueness, (2) the more benefits a destination can offer the tourists the greater the attraction of the destination, (3) constant update and augmentation of the value proposition. These elements must represent the core of the communication with customers/tourists.

The AIDA model combined with the Tourism Area Life Cycle model by Butler can be used for establishment and development of tourism destination management, specifically its promotional efforts. The acronym AIDA stands for attention, interest, desire and action and represents a cross-section of the communication process. The communication with customers/tourists i.e. a promotional campaign has four effect goals:

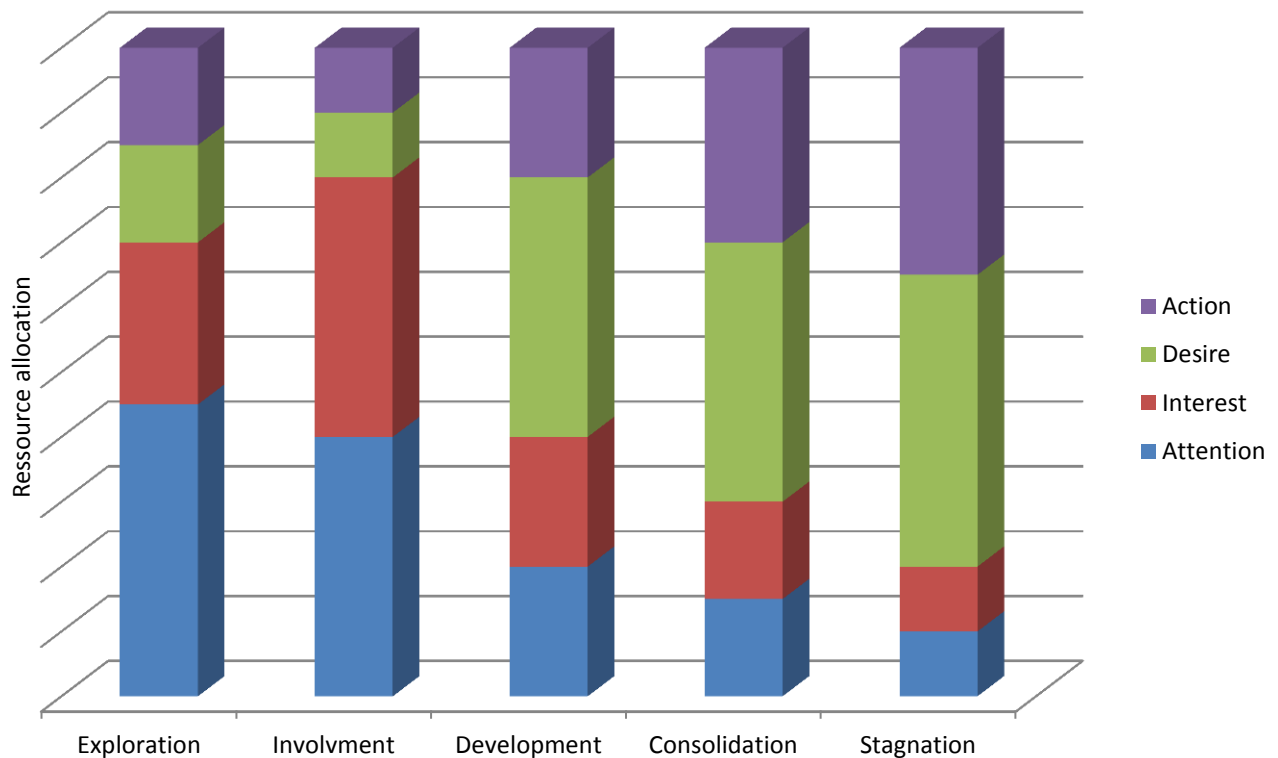
1. Exposure (*attention*) – it occurs at the beginning of the marketing communication process and is designed to give the prospects a reason to take notice. A reason for deeper exploring may be given by a provocative or surprising approach to the communication content. Attracting "Attention" to the destination. For tourism business, this can mean marketing on street-level signs, hiring sign spinners, purchasing billboard time or even using a blimp or hot air balloon. Multiple exposed visibility is a very important element for creating attention.
2. Awareness (*interest*) – the main goal of this step is to maintain interest in a destination or attraction and keep the possible tourists engaged. The marketers must explain how their offer can affect tourists' lives. That could be achieved by personalizing potential benefits and illustrating them to the recipients.
3. Preference (*desire*) – the objective of this stage is to show the prospects of how the attraction may satisfy tourists' needs and thereby evoke a desire for a trip.
4. Actual travel (*action*) – this is the final step to persuade the travellers to take an immediate action, the sense of urgency must be created and/or a special bonus linked to the immediate purchase may be given.

In order to attract tourists to a destination, all four goals must be achieved during the marketing campaign. The magnitude and financial resources engaged in achieving every goal depend on the level of development of the particular destination or attraction. AIDA is a hierarchy of effect model, and thereby goes through the steps starting with Exposure and from there Awareness etc.

The AIDA-model can be presented in relation to Butler's five categories to give attractions a guide for monitoring activities once they have identified their position on the TALC-model. First a figure

(figure 4.1) will be presented where the resource allocation is visualised after which the focus of each individual stage will be presented.

Figure 4.1 – Resource allocation distributed on Butler’s five stages model



4.1 Exploration stage

Attractions in the exploration stage are characterized by being uninterrupted and therefore cater to a special group of visitors. The main objective for such attractions is to inform the broadest audience about an attraction and gain the interest and willingness for further exploration by communicating its uniqueness and benefits for the customers. Therefore the main focus of the attractions is on the AIDA-models steps of attention and interest. As mentioned the mind-set of visitors that choose to visit attractions in the exploration stage have attention and interest, and it will often be enough to promote both desire and action. The reason is that these visitors focus on the untainted atmosphere of the attraction and therefore there is little need to spend resources on creating desire or action. Attention is normally connected to visibility and awareness of the attraction.

4.2 Involvement stage

The difference in which tools to employ between the exploration stage and the involvement stage in Butler's model is that interest plays a more decisive role. However, some attention on creating attention, desire and action switches towards creating interest. As some attention have been achieved before moving into the involvement stage a little less attention on this is needed. However, as the attraction is still little known this area still requires a large part of the resources. The decreased attention to desire and action is caused by the fact that it is more important at this stage to inform people of the attractions existence and create interest, as desire and action are more readily achieved given the characteristics of the visitors at this stage.

4.3 Development stage

The focus in the development stage should be remarkably different. In the development stage the focus on desire becomes of higher priority. The reason is that the attraction starts to become better known and therefore promotion of attention and interest becomes of less importance. As people have knowledge of the attraction the focus is on creating the desire of going there. The reason for this shall partly be found in the change in cliental. It is important to create desire at this stage. It can for instance be done by storytelling and/or by having celebrities to visit the attraction and by having the attraction commented in the media to achieve scale advantages.

4.4 Consolidation stage

The consolidation stage is where the successful period of the development stage starts to decrease. Therefore, the focus on desire should be increased at this stage. Just as in the development stage the attraction is well-known and therefore effort should not be spent on creation attention or interest but on action in form of participation and change. Behavioural changes are needed and will co-creation can be an instrument to get people to act by actually undertaking the travel.

4.5 Stagnation stage

At the stagnation stage the attraction is highly dependent on getting people to return. Therefore an even higher degree of focus on action should be undertaken to make it as easy as possible for people to undertake this journey. Loyalty must be stressed and awarded. Furthermore, it is still important to seek to create desire as this is an important aspect on attracting visitors. At this stage the attractions are known to a degree that makes focus to attention and interest almost superfluous. New attraction elements can be added.

4.6 Conclusion

By combining the AIDA model with Butler's TALC model a model for the resource allocation that ought to be prioritized at each stage of the TALC-model emerges. It should of course not be seen as an exhaustive model but rather as a guideline for the tourist attractions to work with marketing.

5. The need for a successful tourism industry development in the EU including the Baltic Sea Region

5.1 Introduction

The long term tendencies for the EU economic developments are not particularly prosperous. The reason is found in the fact that both the GDP in the EU in relation to the world GDP as well as the size of the EU population in relation to the world population are decreasing. This implies relatively lower incomes in the EU and a change in the average age of the population with relatively more elderly people and an increased need for public services and a relatively smaller labor force. This long term development is also distinctive for the development in the Baltic Sea Region countries. The development implies that more export to the rest of the world as well as more tourists coming from the rest of the world is needed by the EU. For the Baltic Sea Region countries it is the same changes that are required if the Baltic Sea Region countries shall continue to have an economic development with economic growth.

The economic and financial crisis since September 2008 has deepened the problematic situation. It was seen in the press release after the G20 meeting in June 2012. Here, tourism was mentioned for the first time by the G20 countries and it was stressed that tourism development worldwide has to be given priority, as a policy to create jobs and to create economic growth as well as a recovery policy (WTTC, 2012).

EU had already given more attention to tourism by including tourism in the Lisbon Treaty. On June 30, 2010, the European Commission published: Europe, the World's No. 1 tourist destination – a new political framework for tourism in Europe (European Commission, 2010). It was the first time to set up a full agenda for tourism initiatives including 21 countries. Tourism in this context includes transportation, shopping, attractions and events, accommodation and meals, i.e. all elements in leisure and business tourism.

It can be concluded that tourism has been given still higher priority as a creator of jobs and of economic growth as well as an important policy for development.

5.2 The requirements for having a competitive tourism product development

As it is the case for all productions, there has to be an efficient combination of *competition* and *cooperation*. The right mixture is often difficult to achieve, but it is a management challenge.

If the goal is to develop transnational products as it is the case in the AGORA 2.0 project, the challenge is to avoid suboptimizing by national goals that do not correspond to a transnational tourism product development and if the financing is linked to achieving national goals the challenges can be big and hinder developments of transnational tourism products. To avoid this, specific funding

must be given to development of transnational tourism products or a minor part of the national tourism budget has to be devoted to the development of transnational products.

Private transnational investments can also function as an initiative for a transnational product development. It is for instance found in relation to hotel chains, amusement park chains or in the food area in form of fast food restaurants such as McDonalds etc.

Associations can facilitate participation from different countries. They can be seen as a quality product development mechanism based on diversity of the products as for instance the Association of Castles and Museums around the Baltic Sea or they can be based on a general quality standard, for example based on a specific ISO standard.

As a consequence of the frame and standard for tourism strategy, organizing and development in the Baltic Sea Region countries are often difficult to establish along with cooperation for development of transnational Baltic Sea tourism products. However, some transnational product ideas will often be presented at an embryonic stage and as an idea phase and without ownership discussion. It seldom leads to new products, but it can be an early phase for cooperation, learning and for product development. In the AGORA 2.0 project the Stones, Forests and Sand Dunes possess some of these characteristics. It means that they can be far away from a business tourism development, but that they can contribute to cooperation, learning and knowledge sharing.

The national tourism set up and the EU goals for tourism development can be a hindrance for achieving a successful tourism development, as it is difficult to unite the national expectations to the EU goals.

Only little can be done to hinder this dichotomy, and the instrument that can be applied is to look for and identify common values. In the AGORA project as in in many others there has been a search for a common identity and it is found that such an identity does not exist. However, there are some strong common values, as also encountered in the AGORA 2.0 project. For example, the common viewpoint on education and on sustainability and the priority given to those fields in the national policy in the Baltic Sea Region countries can be mentioned.

These common values ought to be given higher priority in the coming Baltic Sea Region countries programmes for development of transnational tourism products if they shall be realized successfully.

6. Conclusion

The publication has investigated the difficult and different set up of tourism organizations in the Baltic Sea area except Norway but including Belarus. This investigation included priorities as well as budgets for tourism in all of these countries.

All countries have national goals as their priority. Furthermore, the organizing of structure and funding are so different that an effective cooperation among the countries will be extremely difficult or impossible to establish. In other words, competition will be strong and cooperation too small to spur an effective transnational tourism development in the Baltic Sea Region countries.

It can be chosen - as in the AGORA project - to select some tourism themes for transnational tourism development. The investigation and planning of the five themes: Stones, Forests, Sand Dunes, Red Brick Gothic and Castles and the use of Butler's TALC model and the AIDA model tells that only some of the attraction themes have achieved a tourist attraction development plan. Themes with an association as a platform are better off than the other themes in relation to developing transnational products.

By combining Butler's model with the AIDA model, the marketing perspectives can be elaborated and stressed. It illustrates what is needed to achieve success in transnational tourist product development. As seen, resources for marketing purposes are important to achieve the production, and marketing resources are almost always too scarce.

The national as well as the EU approach to tourism have been analysed. It is found that the EU, the Baltic Sea Region and the national goals do not fit together and neither do the financial resources. With the given structure there is only little to do to develop transborder tourism attractions successfully.

However, if programmes and projects are based on education and sustainability, i.e. on the common values in the Baltic Sea Region countries, a positive atmosphere and impact for development of transnational tourism products can be developed, but the gap between national and EU goals are so big that it cannot be bridged without new financing and / or new national priorities for tourism development.

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This publication deals with the strategy and framework for cultural and nature tourism in the Baltic Sea Region countries.

It is part of the EU-project AGORA 2.0. The project has focused on transnational product development in the Baltic Sea Region countries including Belarus but excluding Norway.

It presents the organisation of tourism in each of the 10 participating countries.

The overall approach to tourism in the Baltic Sea Region and the EU is also discussed. Essentially, there is too little cooperation and too much competition and this constitutes a clear hindrance for a transnational tourism development in the Baltic Sea Region.

In order to enable the participating attractions to examine their own position, Butler's TALC-model is combined with the AIDA model. By combining these models into a single model it is shown how to use the resources of the attraction at different stages of the development.

The publication is meant to be read by all who have an interest in creating transnational tourism in the Baltic Sea Region. Furthermore, person with interest in how nature and culture tourism products can be developed benefit from the findings.

Finally, the publication can also be of interest for the persons responsible for making EU programmes on tourism in the Baltic Sea Countries.

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