

The impacts of transformation of the destination governance structure on the perceptions of stakeholders

-----the case study in Simian Mountain

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Abstract. The purpose of this study was to discover if differences in perceptions changes of tourism impacts caused by destination governance transformation existed between three stakeholder groups in Simian Mountain. Data was collected by Likert-style questionnaires, And an ANOVA test and independent sample T-test were conducted to analyze the results of survey. The ANOVA and independent sample T-test indicated there were 8 significant differences existed between groups of stakeholders and the respondents who master different quantity of information on the transformation of the destination governance respectively.

Keywords: Destination governance ; Stakeholder; Perception; Simian Mountain

1. Introduction

In Chongqing, the past 5 years witnessed the nationalization, leading by the Chongqing government, took place in almost all the tourism destinations. The main form of this nationalization is buy-back of stock right of one particular tourism destination. This research focused on the destination governance transformation took place in one of the most famous tourism attractions--Simian Mountain in Chongqing. Simian Mountain did not develop well since it has been founded in 1986. In 2005, due to the capital shortage and other problems, Chongqing's tourism department sold the operation right of Simian Mountain to the state-own company, Xinhua group, for 50 years. Nevertheless, 3 years later, Chongqing's tourism department brought back the operation right, since they thought there would be some congenital limits, namely investment instability and short sight, in destination governance conducted by the enterprises. In this paper, we intend to explore and analyze the impacts on the perception of different groups of stakeholders caused by the transformation in destination governance happened in 2008 in Simian Mountain.

So far, there are only a few researches focus on destination governance, thus the number of definition is limited. UNWTO (2010) has defined destination governance once in 2010. In its definition, the destination governance refers to the process through which each DMO acts and performs to define the operational activities, the expectations, the priorities and the goals of the organization. Sara Nordin, Bo Svensson (2005) defined governance as an expression of the mutual dependency between governments and the tourism

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industry. Dechen Peng (2003) defined destination governance as the relationships and institutions, which are designed by the DMOs to balance the interests between stakeholders and, thus, ensure the sound development of tourism destinations.

To sum up, we found the common point of these definitions is that the destination governance is used to deal with the relationships or interests distribution among groups of stakeholders. Therefore, in this paper, we defined destination governance as the institutions or plans that balance the responsibilities, duties as well as the rights among different stakeholders, and promote the effective use of tourism resources.

2. Methodology

There are many researches in the stakeholders' perception field; most of these researches used the questionnaire to measure the perceptions among different stakeholders. For example, Kathleen L, Andereck, Karin M, Valentine, Richard C, Knopf, Christine A and Vogt (2005) designed questionnaire to measure the perception of Arizona's residents to analyze the tourism impacts on local communities; Also, Antonia Besculides, Martha E, Lee, Peter J and McCormick (2002) used the same method to measure the perceptions of Hispanics and Non-Hispanics in Colorado respectively to explore the tourism impacts on local culture; similarly, Erick T, Byrd a, Holly E, Bosley, Meghan G and Dronberger (2009) compared the perceptions, measured by questionnaire, of governments, residents and tourists of two counties in North Carolina, and found the differences among these groups.

To sum up, it is easily to find that the questionnaire method has been commonly accepted by researchers, hence, we decide to use the same method as the researches we present above.

2.1. Questionnaire design

Our questionnaire included 18 Likert-style items inquiring about the perceptions of tourism development in the community with 1 representing a response of "absolutely disagree" and 7 representing "absolutely agree", and mainly covered five dimensions, namely economy, society, life, environment and satisfaction, of local stakeholders' perceptions.(seen in Table-1)

Table -1 detail items in each dimension

Dimension	Item	Dimension	Item	Dimension	Item
Perception on economy	Employment	Perception on society	Traffic situation	Perception on life	Living environment
	Personal income		Tourism involvement		Living quality
	Local economy		Criminal rate		recreation activities quantity
	Tax		Neighbor's relationship	Perception on environment	environmental improvement
	Income balance		Popularity		Protection of buildings
Perception on satisfaction	Satisfaction on tourism development		Government involvement		Environmental awareness

2.2. Data collection

This survey used convenience sampling, researcher questioning and filling method. A total of 110 questionnaires were filled, of which 107 questionnaires were valid. The reason why we just collected 107 questionnaires is because the population living in the Simianshan Town, located at the bottom of Simian Mountain, is less than 1000, and the time we conducted our survey there was the off season.

2.3. Methods used for data analysis

The ANOVA test

ANOVA is a method that provides a statistical test of whether or not the means of several groups are all equal. In this paper, we used ANOVA to test whether there is a significant statistical difference in the perception changes, caused by the governance structure transformation, in different groups of stakeholders.

Independent sample T-test

An independent sample T-test was also conducted in this research for checking whether significant difference existed between the groups who master different quantity of information concerning about the transformation of governance.

3. Results

3.1. Characteristics of the sample

Of the 107 surveys completed by the tourism stakeholders in Simianshan town, 55.2% were residents, while 22.4% were staffs working in tourism enterprises, the other 22.4% were staffs of DMOs. Of all the respondents 51.4% were male, 48.6% were female. The respondents who did not know the destination governance transformation event took place in 2008 occupied 36.4% of all 107 respondents, whilst the people who just heard this transformation accounted for 43.7%, and who knew the details taken 16.8%.

3.2. Reliability and validity test of the questionnaire

After collecting the data, we used SPSS to test the Cronbach's Alpha value of our questionnaire. And the Alpha value of this questionnaire was 0.765, which indicated the questionnaire was reliable.

We also used factor analysis to test the structure validity of our questionnaire. The result shown that the 18 items can be classified into 6 common factors, which can explain 69.8% of all the variance, in other words, this questionnaire measured almost 70% of the perception of the stakeholders in Simianshan town. Moreover, in each common factor, the loading of each particular factor was more than 0.58, which indicated each particular factor had a significant influence on the common factor it belonged to. And though the communalities test result was not perfectly ideal, the validity of this questionnaire was good as a whole.

3.3. The ANOVA test

Before ANOVA test, we tested the homogeneity of variance of 18 items in our questionnaire, the result shown 10 items reached the precondition of conducting ANOVA test.

The results of the ANOVA test indicated that there were statistically significant differences ($\alpha = 0.05$) between stakeholder groups for 8 of the 10 statements: compared with the situation before 2009, (1) tourism produces more environmental improvements, (2) tourism development protects the town's appearance more, (3) tourism development makes more contribution to the local economy, (4) tourism development increases property taxes more, (5) tourism development makes local traffic situation worse, (6) tourism development increases the tourism involvement of residents more, (7) tourism development makes more contribution to the popularity of Simian Mountain, (8) you are more satisfied with tourism development. For each of the 8 statements which has a statistically significant difference between groups, the scheffé test was conducted to determine which specific groups were different (result seen in table-2)

Table-2 Test of significant between stakeholders (one-way ANOVA with Scheffé test).¹

Variable(compared with situation before 2009)	Mean Residents (n=59)	Mean Enterprises (n=24)	Mean DMOs (n=24)	F ratio	Probability	Scheffé test(P<0.05)	Scheffé test(P<0.01)
tourism produces more environmental improvements	5.27	6.13	6.50	28.07	0.000	—	R<E R<DMOs
tourism development protects the town's appearance more	4.95	5.42	5.75	5.60	0.005	—	R< DMOs
tourism development makes more contribution to local economy	5.42	6.13	6.21	9.67	0.000	R<E	R< DMOs

¹ R stands for Residents; E is short for Enterprises; DMOs stands for Destination Management Organization;

tourism development increases property taxes more	5.07	5.42	3.92	14.59	0.000	—	R> DMOs E> DMOs
tourism development makes local traffic situation worse	3.07	3.54	2.13	11.82	0.000	—	R> DMOs E> DMOs
tourism development increases the tourism involvement more	5.05	5.79	5.96	11.10	0.000	R<E	R< DMOs
tourism development makes more contribution to the local popularity	5.80	6.21	6.63	11.16	0.000	—	R< DMOs
you are more satisfied with tourism development	5.54	6.42	6.00	9.16	0.000	—	R<E

As the table shows above, the perception differences between residents and DMOs mainly found on the tourism development influence on local environment, town protection, tourism involvement, local economy, traffic situation, popularity and property taxes. While the perception differences between enterprises and DMOs mainly covered the traffic situation, property taxes.

To sum up, we found DMOs held the most positive perception toward the tourism development in most items, followed by enterprise and residents. It may because the DMOs lead the development of local tourism after the governance transformation in 2008.

3.4. Independent sample T-test

In order to determine whether the quantity of information one stakeholder master about destination governance transformation will affect his perception on the tourism development after that transformation, T-tests were ran for each item we surveyed. (Results seen in Table-3)

Table-3 Test of significance between stakeholders who mastered different quantity of information of destination governance transformation in 2008 (t-test)

Variable	Groups			2-sides T-test	Probability
	Know the details	Just hear	Don't know		
Personal income	—	5.88	5.36	2.980	0.004
Popularity	—	6.22	5.87	2.173	0.032
living quality	5.72	5.08	—	2.132	0.037
Town protection	4.94	—	5.38	-2.104	0.041
Living environment	5.94	—	4.95	3.731	0.000
	5.94	5.40	—	2.648	0.0011
Number of recreation activities	—	4.80	4.02	3.209	0.002
Tourism involvement	—	5.62	5.15	2.09	0.04
Neighbor relation	—	5.46	4.77	3.477	0.001
	4.68	5.46	—	-2.674	0.004

As can be seen from the table, the most significant perception differences existed between the group of “Don't know” and “just hear”, while whether the stakeholders know the details of this governance transformation seems to have less influence on the perception.

In short, the result of T-tests demonstrated that the information quantity stakeholders know, indeed, have some impacts on the perception of local tourism development. And in most items, the more one stakeholder know about the governance transformation, the more positive perception he tend to have.

4. Conclusion

The results of this research indicated that there were some significant differences in the three identified stakeholder groups on the destination governance transformation. Also, from the results, we can see all the stakeholders had a positive perception on the governance transformation, however, DMOs held the most positive perception on almost all the items we inquired. And the most significant differences in perception existed between residents and DMOs.

We also found that the information quantity one stakeholder know would have significant influence on perception on some items. Moreover, the differences mainly existed between the stakeholders who had no idea about the governance transformation and these who just heard about that event.

This research indicated two aspects of conclusions. On the one hand, the average perception of the stakeholders in Simian Mountain on the governance transformation was positive, in other words, they would prefer to choose government-dominant governance pattern rather than enterprise-dominant governance pattern. It may because the former one could bring more benefits to the whole destination in the contemporary stage, also, the unsound market and law institutions might be one of the reasons. On the other hand, the huge perception gaps between stakeholders indicated the DMOs need to pay more attention and be concerned with all stakeholders, especially in China, where the DMOs often play an absolutely predominant role in planning the tourism development. Otherwise, the positive perception cannot be transmitted among different groups of stakeholders, so do the negative perceptions, this could cause some problems within the destination.

The previous study had demonstrated the communities' supports were extremely crucial to the success of DMOs as well as the destinations (Tom Bornhorsta, J.R. Brent Ritchie b*, Lorn Sheehan c, 2010). Hence, there is a need for greater communication between the residents and DMOs, as well as other stakeholder groups. Especially, in the destinations that are under governance reforming and adjusting.

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