

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

Community Based Strategic Planning for Sustainable
Regional Tourism Development in New Zealand

A thesis presented in partial fulfilment of the requirements for the
degree of

Doctor of Philosophy
in
Management and International Business
at Massey University, Albany, New Zealand.

Kenneth George Munro Simpson

2001

Abstract

This thesis is concerned with the processes involved in the determination of tourism policies and development plans, at a sub-national level in New Zealand. In particular, it pursues a broad goal which aims :

To investigate the validity of stakeholder participation and strategic orientation as significant contributors to sub-national tourism planning effectiveness in New Zealand.

The thesis builds upon the premise that attention to these two foundation issues, at the outset of the planning process, creates a secure base for future planning activity, and that the additional effort required by this approach is rewarded by enhanced support for the development direction subsequently chosen. Within this context, five specific research objectives are established :

1. *Describe the structural arrangements that have been established to guide tourism planning activities in New Zealand.*
2. *Ascertain the methods used by national, regional, and local agencies to determine tourism development strategies at a national, regional and local level.*
3. *Evaluate the extent to which sub-national tourism development strategies incorporate the principles of stakeholder participation and strategic orientation.*
4. *Establish quantitative levels of local resident support for a cross-section sample of sub-national tourism development strategies.*
5. *Evaluate the implications of stakeholder participation and strategic orientation in terms of subsequent levels of local resident support for sub-national tourism development strategies.*

This research was conceptualised as a challenge to what are argued to be two key assumptions in the tourism literature, assumptions which are essentially unsupported by empirical evidence. Firstly, there is a commonly accepted suggestion that multiple stakeholder participation throughout a planning process will generate enhanced levels of support for the subsequent planning outcomes; and secondly there is parallel advocacy of a strategic planning model as the most appropriate framework for developmental effectiveness. Research into the validity of these two propositions was considered to be vital, in terms of refining our understanding of long-term tourism development at a sub-national level.

Objective 1 was addressed through a secondary data search which assessed the extent to which New Zealand's political system allocates strategic tourism planning responsibility to individual agencies. Objective 2 used a mail census, of all 116 tourism policy and planning institutions in New Zealand, to measure the extent of their involvement and to obtain a copy of their current tourism plan. Objective 3 required the construction of an evaluative checklist to objectively assess the planning processes used, and to establish a rank order of plans by quality of stakeholder involvement and strategic orientation.

Objective 4 required the selection of three plans, taken from the top, middle and bottom of the rank order. These three examples were then re-formatted to reflect a common presentation style, and a random mail sample of 400 adult residents in each of the three chosen areas was invited to complete a written evaluation of their own tourism plan. A total of 185 useable responses was eventually received, and these were statistically analysed to satisfy the requirements of Objective 5.

The results showed that tourism policy and planning responsibilities are not well defined in the New Zealand legislation and that, as a result, they are progressively delegated from national to

regional government, regional to local government, and local government to joint public/private sector tourism organisations. Though there is some evidence of the acceptance of stakeholder participation and strategic orientation as desirable components of the tourism planning process, levels of enthusiasm for these concepts are variable, and it was not possible to find a planning process which could be described as an excellent example of either element.

Local stakeholder evaluations were moderately favourable in each of the three study sites, and there was some support for the suggestion that stakeholder participation and strategic orientation makes a useful contribution to resident approval for the resultant tourism plan. However, conclusive identification of positive relationships was hampered by the absence of an excellent example; and by a potentially substantial element of demographic bias in the available data set of resident evaluations.

These results indicate that stakeholder participation and strategic orientation remain superficially attractive, but empirically unproven, as essential components of an optimum sub-national tourism planning process. In this respect, the contribution to knowledge made by this research could be perceived as negative rather than positive. However, there is some evidence to suggest that further research into the relationships examined by this thesis could prove to be profitable. In particular, it would be valuable to sponsor the implementation of a specific sub-national tourism planning process which consciously adopts all of the elements defined as desirable during the current research, and to measure the levels of stakeholder support engendered by such an approach. The planning process assessment instrument, included as a central component of this thesis, is presented as a useful model by which such research efforts might be guided.

Acknowledgements

The preparation and presentation of this thesis was sometimes challenging, often enjoyable, and always hugely stimulating. I would like to sincerely thank all of these people who willingly assisted with challenges as they arose, shared in the creation and realisation of enjoyment, and provided a vital part of the stimulation this research has generated over a four year period.

Policy and Planning Interviewees

Bev Abbott, Policy Analyst, New Zealand Tourism Board
Andrew Bignell, Manager External Relations, Department of Conservation
The Hon. Mark Burton, Minister of Tourism
Jennie Darby, Personal Assistant to the Hon. Mark Burton
George Hickton, CEO, New Zealand Tourism Board
Nigel Parrott, Principal Policy Analyst, Department of Conservation

Planning Process Assessors

Linda Everett; Bill Kirkley; Kenneth Newlands

Statistical Advice and Assistance

Dr Denny Meyer, Massey University
Dr Chris Triggs, University of Auckland

Publications Assistance

Dr. Ngaire Douglas, editor, and anonymous reviewers, *Pacific Tourism Review*, (Cognizant Communication Corporation, USA)
Dr. Ross Dowling & Dr. David Fennell, editors, *Ecotourism Policy* (CABI Publishing, UK)
Professor C. Michael Hall, editor, and anonymous reviewers, *Current Issues in Tourism*, (Channel View Publications, UK)

Graphics Advice and Assistance

Adriana Lovatt

Colleagues at UNITEC Institute of Technology, Auckland

Noel Burchell; Andrew Cardow; Peter Carswell; Professor Chris Christodoulou; Professor Gael McDonald; Kathryn Payne-Buckley; Elizabeth Warner; Peter Wiltshier; Susan Zwalue

Supervision Assistance

Dr. Mark Orams
Professor Stephen Page

And last of all, but by no means least, my wife Judy, without whose continual encouragement and understanding this whole project would never have been possible.

<u>Table of Contents</u>	<u>Page No.</u>
Abstract	i
Acknowledgements	iii
List of Tables	viii
List of Figures	ix
<u>1. INTRODUCTION</u>	1
1.1 Background to the Research	1
1.2 Research Goal and Objectives	3
1.3 Outline of the Thesis	5
1.4 Contribution to Knowledge	9
<u>2. LITERATURE REVIEW</u>	11
2.1 Foundations of Tourism Research	11
- The Advocacy Platform	11
- The Cautionary Platform	12
- The Adaptancy Platform	13
- The Knowledge Platform	14
- Summary	15
2.2 Sustainable Development Issues	16
- Sustainability and Economic Growth	16
- Sustainability and the Tourism Industry	18
- Sustainability and Regional Development	20
- Summary	22
2.3 Stakeholder Participation Issues	23
- Rural Stakeholder Issues	24
- Cultural Stakeholder Issues	28
- Community Stakeholder Issues	33
- Summary	37
2.4 Tourism Planning Issues	37
- Stakeholder Participation and the Planning Process	37
- Approaches to Tourism Planning	38
- Strategic Planning and Tourism	41
- Summary	43
2.5 Practicality Issues	44
- Practicality of Sustainable Tourism Development	44
- Practicality of Stakeholder Participation	46
- Practicality of Strategic Planning for Tourism	52
- Summary	54
2.6 Research Foundations	55
- The Known and the Unknown	55
- Research Objectives	57
- Summary	59

3.	<u>EVOLUTION OF TOURISM POLICY AND PLANNING STRUCTURES IN NEW ZEALAND</u>	60
3.1	Key Tasks	61
3.2	Methodology	61
3.3	Results	62
	- National Level System of Government	62
	- Evolution of Tourism Policy	64
	- Tourism Policy Responsibilities	67
	- Sub-National Level System of Government	70
	- Tourism Policy Responsibilities	71
3.4	Discussion	74
	- Central Government and Tourism Policy	74
	- The Impact of Statutory Provision	76
	- Tourism Planning and Institutional Responsibility	79
3.5	Conclusions	81
4.	<u>TOURISM PLANNING IN NEW ZEALAND : INSTITUTIONAL ATTITUDES AND BEHAVIOURS</u>	85
4.1	Key Tasks	86
4.2	Methodology	86
	- Central Government Approach	86
	- Regional Government Approach	88
	- Territorial Government Approach	90
	- Regional Tourism Organisation Approach	91
4.3	Results	92
	- Central Government Policy and Planning	92
	- Regional Council Policy and Planning	99
	- Territorial Council Policy and Planning	102
	- Regional Tourism Organisation Policy and Planning	108
4.4	Discussion	111
	- Tourism Planning and National Agencies	112
	- Tourism Planning and Regional Councils	116
	- Tourism Planning and Territorial Councils	119
	- Tourism Planning and Regional Tourism Organisations	124
4.5	Conclusions	127
5.	<u>DEVELOPMENT AND APPLICATION OF A PLANNING PROCESS ASSESSMENT INSTRUMENT</u>	132
5.1	Key Tasks	133
5.2	Methodology	133
	- Draft Instrument Construction	134
	- Draft Instrument Application	137
	- Draft Instrument Refinement	139

	- Provisional Instrument Application	140
	- Planning Process Sample Selection	141
5.3	Results	142
	- Draft Instrument Construction	144
	- Draft Instrument Application	147
	- Draft Instrument Refinement	148
	- Refined Instrument Application	151
	- Planning Process Selection	154
5.4	Discussion	156
	- Assessment Instrument Construction	156
	- Draft Instrument Refinement	159
	- Assessment Instrument Findings	160
5.5	Conclusions	165
<u>6.</u>	<u>LOCAL RESIDENT EVALUATION OF TOURISM STRATEGIES</u>	167
6.1	Key Tasks	168
6.2	Methodology	169
	- Strategy Document Standardisation	169
	- The Resident Review Survey	172
	- Pilot Testing	175
	- Survey Design and Implementation	178
	- Data Analysis Techniques	184 —
6.3	Results	186
	- Basic Descriptive Statistics	186 —
	- Evaluative Component Scores	191
	- Non-response Bias and Stakeholder Identity Issues	193
	- Open Ended Questions	195
	- Factor Analysis	199
6.4	Discussion	201
	- Quantitative Approval Ratings	201
	- Open Ended Questions	204
6.5	Conclusions	207
<u>7.</u>	<u>PLANNING PROCESS QUALITY AND LOCAL RESIDENT EVALUATIONS</u>	210
7.1	Key Tasks	211
7.2	Methodology	212
	- Instrument Rationalisation	212
	- Process Instrument Analysis	214
	- Product Survey Analysis	215
	- Product Survey Weightings	216
	- Process/Product Comparisons	217

7.3	Results	217
	- Process Instrument Variance	218
	- Product Survey Variance	221
	- Sampling Bias Issues	223
	- Multiple Regression Analysis	225
	- Between-Scale Relationships	228
7.4	Discussion	231
	- The Process Instrument	231
	- The Product Survey	232
	- Process/Product Relationships	233
	- Path Analysis	234
7.5	Conclusions	239
<u>8.</u>	<u>CONCLUSIONS AND IMPLICATIONS</u>	242
8.1	The Research Objectives	242
8.2	Implications for Theory	252
	- The Institutional Double Standard	252
	- The Planning Process Assessment Instrument	253
	- Characteristics of Locally Resident Stakeholders	254
	- The Importance of Goals and Objectives	255
8.3	Recommendations for Future Research	256
8.4	The Planning Process Assessment Instrument	257
<u>9.</u>	<u>REFERENCES</u>	258
<u>10.</u>	<u>APPENDICES</u>	A1
10.1	Appendix A : Publications Related to This Thesis	A2
10.2	Appendix B : Local Government Structure in New Zealand	A3
10.3	Appendix C : Correspondence with Central Government Agencies	A7
10.4	Appendix D: Correspondence with Regional Government Agencies	A13
10.5	Appendix E: Correspondence with Territorial Government Agencies	A19
10.6	Appendix F: Correspondence with Regional Tourism Organisations	A25
10.7	Appendix G : Drafts of Planning Process Evaluation Checklist	A27
10.8	Appendix H : Summarised Local Tourism Strategies	A48
	- Coromandel	A49
	- Bay of Plenty	A60
	- Mackenzie	A69
	- Auckland (pilot)	A79
10.9	Appendix I : Resident Strategy Review Correspondence	A87
10.10	Appendix J : Final Planning Process Assessment Instrument	A109

1.	Regional Council Responses	100
2.	Territorial Council Responses	104
3.	Regional Tourist Organisation Responses	109
4.	Comparative Allocations of Local Tourism Planning Responsibility	126
5.	Draft Assessment Instrument Results	148
6.	Refined Assessment Instrument Results	151
7.	Tourism Strategies Selected for Further Examination	154
8.	Summary of Coefficient Alpha Calculations for Resident Attitude Survey	177
9.	Summarised Response Rate Statistics	184
10.	Summary of Basic Descriptive Statistics	187
11.	Item to Section Correlations	192
12.	Section Total to Overall Plan Quality Correlations	193
13.	Respondent Demographics	194
14.	Resident Strategy Review Comments	195
15.	Principal Components Analysis (PCA) Results for the Resident Evaluation Survey	199
16.	Friedman Test for <i>PROCESS</i> Instrument	219
17.	Paired Comparison Tests (<i>PROCESS</i> Instrument)	220
18.	<i>PROCESS</i> Instrument Data Analysis Summary	221
19.	ANOVA for <i>PRODUCT</i> Survey	221
20.	Paired Comparison Tests (<i>PRODUCT</i> Survey)	223
21.	Non-response Bias Checks	224
22.	Multiple Regression Analysis - <i>PRODUCT</i> Survey	226
23.	Regression Equation Predictions by Sub-Groups Sampled	227
24.	Comparative Analysis <i>PROCESS</i> Instrument/ <i>PRODUCT</i> Survey	228
25.	<i>PRODUCT</i> Survey Plan Quality Ratings	233
26.	Strategy Preferences - <i>PROCESS</i> Instrument/ <i>PRODUCT</i> Survey	234

1.	Structure of the Thesis	6
2.	Key Elements of Sustainable Tourism	20
3.	Sustainability and Rural Tourism Development	28
4.	Sustainability and Cultural Tourism Development	33
5.	Sustainability and Community Tourism Development	36
6.	Tourism Planning Traditions	40
7.	Foundation Elements of a Strategic Planning Philosophy	42
8.	Stakeholder Groups for Consultation	47
9.	The Destination Life Cycle and Tourist Typologies	48
10.	Foundation Assumptions Guiding the Research Presented in This Thesis	56
11.	Broad Research Goal and Specific Research Objectives	58
12.	Chapter Three Objective and Methods	60
13.	New Zealand Tourism Policy and Planning : Information Sources	61
14.	Tourism 2000 Conference Recommendations	65
15.	Objectives and Activities of Local Government	71
16.	Tourism Policy and Planning Responsibilities in New Zealand	83
17.	Chapter Four Objective and Methods	85
18.	OTSp Portfolio Briefing to Incoming Minister of Tourism	94
19.	The Evolution of New Zealand Tourism Board Strategies	95
20.	Key Elements of the Department of Conservation Visitor Strategy, 1996	98
21.	Regional Council Perceptions of Appropriate Regional Tourism Policy and Planning Responsibility	101
22.	Territorial Council Perceptions of Appropriate Regional Tourism Policy and Planning Responsibility	106
23.	Regional Tourism Organisation Perceptions of Appropriate Regional Tourism Policy and Planning Responsibility	110
24.	Chapter Five Objective and Methods	132
25.	Chapter Five Methodology	134
26.	Domains of Construct - Stakeholder Participation and Strategic Orientation	143
27.	Structure of the First Draft Instrument	147
28.	Impacts of Instrument Refinement Process	149
29.	Chapter Six Objective and Methods	167
30.	Structural Framework for Summarised Local Tourism Strategies	170
31.	First Draft Resident Survey Instrument	175
32.	Chapter Seven Objective and Methods	210
33.	Proportional Score Achievements - <i>PROCESS</i> Instrument	218
34.	Path Analysis Diagram <i>PRODUCT</i> Evaluation Instrument	236
35.	Goal Achievement and Objective Resolution	251