

This is the peer reviewed version of the following article:

THE MANAGEMENT OF CULTURAL DESTINATIONS:IN SEARCH FOR A DESTINATION'S BALANCED SCORECARD / Parolini, Cinzia. - ELETTRONICO. - (2007), pp. 1-13. ( 9th International Conference on Arts and Cultural Management VALENCIA 8-11/07/2007).

University of Valencia  
*Terms of use:*

The terms and conditions for the reuse of this version of the manuscript are specified in the publishing policy. For all terms of use and more information see the publisher's website.

25/12/2025 10:33

(Article begins on next page)

## THE MANAGEMENT OF CULTURAL DESTINATIONS: IN SEARCH FOR A DESTINATION'S BALANCED SCORECARD

**Cinzia Parolini**

Full Professor Department of Economics and Business  
University of Modena and Reggio Emilia (Italy)  
Senior Faculty member of SDA Bocconi  
Via Bocconi 8 – 20136 – Milano – Italy  
Tel. 39/02/5836.6321 – Fax: 39/02/5836.6892  
Email: [cinzia.parolini@sdabocconi.it](mailto:cinzia.parolini@sdabocconi.it)

**Cinzia Parolini.** Born in Monza (Italy) in 1959, she lives in Milan and since 2002 is Full Professor at the University of Modena and Reggio Emilia. She also teaches at Bocconi University (Milan) and at SDA Bocconi, the Business School connected to Bocconi University. Her research is focused on Tourism and Destination Management.

### ABSTRACT

As tourist markets become increasingly competitive, tourist destinations have to develop more sophisticated management tools. The aim of this paper is to try to adapt the tool of the balanced scorecard to tourist destinations, by identifying the players involved in implementing such a control system, the adjustments necessary to transpose the idea of balanced scorecards from single companies to territorial economic systems, and the critical aspects of the implementation phase. Empirically, among other things, the article is based on the experience acquired during the course of a project aimed at developing a balanced scorecard for the city of Florence (Italy).

Destination Management, Tourism, Balanced Scorecard

### Introduction

This paper was prompted by two considerations. The first is the fact that recent years have seen the development of a growing conviction, in theory and practice, that the implementation of strategic company choices should be supported by a process of strategic control that is not only aimed at systematically evaluating financial results, but also (and above all) at developing strategic control panels including measures designed to monitor learning and innovation capacities, the efficiency of company processes, and the degree of customer satisfaction that underlies the financial results of any organisation. Furthermore, it has been said (and in some cases demonstrated in concrete terms) that the creation of a “balanced scorecard” (BSC) containing a set of operating and financial, process and result measurements is a fundamental element in the process of sharing the company’s strategy and the bases of its success by top management, as well as a means of aligning the reward/punishment system with the shared strategic objectives.

The second consideration is that both the theoretical and practical attempts to develop such strategic control panels (or BSCs) have so far concentrated on individual organisations. No attempt has been made (or, at least, published) to apply this methodology to systems of organisations which, although juridically distinct and independent, participate in creating an offering that users tend to assess as a whole. It is clear that, in such cases, implementing a BSC within the different organisations making up the system can ensure only limited benefits because the satisfaction of its customers largely depends on processes that are beyond the control of the individual organisations. And this is obviously the situation in which the companies and other bodies operating in the tourist industry find themselves.

The aim of this paper is therefore to try to adapt the tool of the BSC tool to tourist destinations, by seeking to identify the players involved in implementing such a control system, the adjustments necessary to transpose the idea of BSCs from single companies to territorial economic systems, and

the critical aspects of the implementation phase. Empirically, among other things, the article is based on the experience acquired during the course of a project aimed at developing a BSC for the city of Florence (Italy) as a tourist destination. Financed by the city's Chamber of Commerce, the project was started at the end of 2005 and, although it is still ongoing (as of March 2007), has already involved dozens of public and private bodies, thus making it possible to outline a possible approach to the development of a destination BSC.

Before discussing the proposed subject in further detail, it is worth briefly summarising some general aspects of the meta-management of tourist destinations and BSCs.

### **The meta-management of tourist destinations**

Tourist operators and researchers have become increasingly aware of the relevance of the roles involved in the meta-management of destinations<sup>1</sup>. Tourist markets are becoming more and more competitive and destinations can no longer rely exclusively on strategies based on the spontaneous behaviours of the economic players involved. This has two consequences:

- There must be someone (generally local government bodies and/or a tourist promotion agency) who is actively responsible for the meta-management of the destination, guiding the economic players towards the creation of strategies that are at least partially deliberate;
- The destination must give rise to a series of specialised players who are capable of professionally undertaking activities that can no longer be left to chance or entrusted to non-specialists: for example, convention bureaux to promote the congress market, film commissions to attract television and film producers, agencies specialised in candidating the destination to host prestigious cultural or sporting events, territorial marketing agencies in general.

Destination management is essential insofar as tourists purchase the destination as a whole before buying the services of the individual players operating inside it. Furthermore, their judgements of the services received also tend to be global, in the same way as their decisions to return to the destination are based on their global satisfaction with the services received<sup>2</sup>. These behavioural specificities of tourist customers have profound effects on the characteristics and dynamics of the industry: they not only make joint promotional activities and the coordinated development of the overall supply system particularly important, but also create the basis for significant positive or negative externalities which, in the absence of appropriate guiding action, risk leading to opportunist behaviours by individual players and a loss of competitiveness of the destination as a whole.

Tourist destinations have a large variety of players that carry out meta-management functions at various levels. Such activities can be identified in the national government, local government

---

<sup>1</sup> Since the mid-1990s, many authors have stressed the importance of network relationships in constructing successful entrepreneurial formulas in the tourist industry, managing complex tourist products (Rispoli 2002), and overcoming the limitations of the tourist pipeline (De Carlo, Parolini, 2004).

The large number of internationally published articles concerning the functioning of tourist networks and the meta-management of destinations can be divided into three main groups.

The first concentrate on meta-strategies for marketing tourist destinations by considering their positioning, the development of new products, and district-level sales policies (Pal-Sanders, 1997; Buhalis, 2000; Pechlaner-Weiermair, 2000).

The second focus on the management of destinations as strategic and competitive subjects by identifying the roles of meta-management, governance processes, and the effects of destination management on the results of the district and the enterprises (Molteni-Sainaghi, 1997; Bieger, 1997; Bieger, 1998; Flagestaad-Hope, 2001; Pechlaner-Smeral-Matzler K., 2002; Martini, 2002; Franch, 2002; Sainaghi, 2002; Parolini, 2005).

The third consider in particular the management of the cities of art with the aim of analysing the effects of public policies and the behaviours of the private sector on the sustainability of the development of the destinations, their economic and territorial equilibrium, and the valorisation and development of their cultural assets (Van den Berg-Van der Meer-Otgaar, 1999; Van der Borg-Russo, 2002; Van den Berg-Braun-Otgaar, 2002; Van den Berg-Van Winden-Woets, 2003).

<sup>2</sup> On the subject of offer systems dependent on multiple players, see Parolini (1999) among others.

authorities (Regional, Provincial and Municipal), Chambers of Commerce, territorial promotion agencies (tourist boards, convention bureaux, etc.), bodies that finance local initiatives (such as bank foundations), associations of private operators, and organisations which, while directly offering real services and representing an attraction in themselves, also coordinate the promotion and supply of a broader range of services, such as trade fair/exhibition centres, groups of museums, the bodies responsible for organising festivals or other events.

Meta-management activities are particularly important in destinations that host a large number of events and organisations which, although essential to the attractiveness of the destination, would be unlikely to achieve a state of economic equilibrium in the absence of public funding, such as in the cities of art. In this regard, it is enough to think of the difficulties of self-financing that have to be faced not only by museums, the organisers of exhibitions, festivals or other events, opera houses and theatres, but also by subjects generating considerable commercial revenues, such as trade fair/exhibition centres or congress centres.

However, despite general agreement about the central importance of coordination in the management of tourist destinations, there have so far been few concrete examples of truly incisive meta-management organisations, just as there is still no common understanding of the contextual conditions and mechanisms of governance that would guarantee their effectiveness.

### **Use of a BSC as a means of formulating strategy, monitoring processes and aligning economic players**

The management literature includes numerous contributions aimed at demonstrating the fact that any managerial decision must be founded on a clear understanding of the managed entity, its economic structure, and the complex cause-and-effect relationships between its processes and results<sup>3</sup>. And this is even truer when what is being managed is not a simple organisation but – as in the case of tourist destinations – an articulated system of economic players, each of which with its own specificities and objectives, but all participants in supplying a product that purchasers fundamentally perceive as a single whole. Unfortunately, hardly any destinations are equipped with tools for systematically assessing their competitive performance as a whole or evaluating the effects of their meta-management activities on the performances of local enterprises. The generally available data concerning trends in the tourist industry provide only a partial view as they concentrate almost exclusively on indicators of results (such as the numbers of arrivals or roomnights) and almost completely ignore process indicators: i.e. those aimed at monitoring the activities that allow the results to be achieved.

The published articles in the area of strategic planning and control that seem to offer most in relation to the monitoring of tourist destinations are those by Kaplan and Norton on the subject of BSCs<sup>4</sup>. Before attempting to adapt the BSC in the context of tourist destinations, it is worth briefly recalling some of the assumptions on which the methodology is based, as presented by Kaplan and Norton:

- **Leading and lagging indicators.** Controlling strategy requires the identification not only of lagging indicators (such as financial results), but also of leading indicators capable of allowing us

---

<sup>3</sup> The published literature concerning planning, strategic control and performance assessment has been rich and wide-ranging since the 1960s (Anthony, 1965; Hofer-Schendel, 1978), but the contributions that are most relevant to the subject dealt with here are those that bridge the border between strategic management and management accounting, and which are interested in the development of quantitative tools that can support the process of formulating strategy. These include papers on activity-based costing (Turney, 1991; Shank-Govindarajan, 1993), and those on the *tableau de bord* (see Lebas, 1994, in particular) and the balanced scorecard (Kaplan-Norton). In the context of the present research project, they offer a great deal but must be referred to cautiously because the system we are interested in controlling is not a company system, but the set of a number of independent (profit-making and no-profit) organisations that interact in the context of the destination.

<sup>4</sup> Kaplan and Norton published first some articles (1992, 1993 and 1996) and then various books (1996, 2000, 2004 and 2006) on the subject of balanced scorecards. Over this course of time, they have progressively extended the use of balanced scorecards from strategic control to the formulation of strategy, and as a means of aligning the players involved in the implementation of strategic choices.

to understand in advance whether the organisation is moving correctly along the path of implementing the strategy it is pursuing. It is therefore worth adding other non-financial indicators relating to the customers' perspective (e.g. indices of customer satisfaction, churn rate, etc.), internal processes (e.g. new product development times, delivery times, etc.), and indicators of learning and development (e.g. number of hours of training, employee satisfaction, etc.).

- **Strategy as a set of hypotheses of cause-and-effect relationships.** In order to ensure that a BSC becomes a tool for formulating and implementing a given strategy, it is necessary to make explicit the chain of cause-and-effect relationships that make it possible to bring together competencies and intangible resources, value-generating activities, customer satisfaction and financial results. Strategy is a set of hypotheses concerning the cause-and-effect relationships that lead to the financial results, and developing a BSC provides an excellent opportunity for obliging a company's top management to exchange ideas on the determinants of the company's results.
- **A BSC as a tool for aligning individual behaviours.** A BSC is also an important means of aligning individual objectives with the meta-objectives of the organisation. Implementing a strategy requires ensuring that its intermediate and final strategic objectives are suitably related to the system of incentives.
- **The role of top management.** In companies, BSC systems work only if they are strongly supported by top management and. As we will see later, the lack of a universally recognised top management group in tourist systems is one of the main obstacles to implementing a strategic control panel for a destination.

### **Inherent difficulties in establishing destination strategic control panels**

Although everybody agrees on the usefulness of effective meta-management activities, they raise a number of problems that are difficult to solve in the context of destination management:

- **The difficulty of elaborating a global view.** A tourist offer comes from a highly complex set of activities, each of which has its own particular economic structure. It is very difficult for individual players to perceive the positioning and critical factors of the destination as a whole. And it is equally difficult to set up an organ of meta-management that is capable of understanding the fundamental mechanisms governing the functioning of the individual elements in the system and of the system as a whole, or to express a vision of the desired positioning of the destination that would be agreed to or accepted by the other players in the system.
- **The lack of information systems.** The measurement system available to organs of meta-management is often extremely crude, and mainly consists of incomplete and fragmentary lagging indicators. The lack of information is often such as to make it very difficult to identify the real problems of a destination and establish a thought-out strategy (in the sense of a set of hypotheses concerning the cause-and-effect relationships that lead to the desired results).
- **The difficulty of establishing clear and agreed result objectives.** In addition to the above, the desired results for a tourist destination cannot be exclusively financial, and are therefore more difficult to establish than in the case of a profit-making company. Furthermore, destinations include multiple players (or group of players) who often have different visions of the destination, different recipes for its success, and different specific objectives.

Theoretically at least, a BSC would seem to be very interesting insofar as it could offer:

- A framework for developing indicators of result (lagging) and process (leading) that would be useful for providing a more complete and systemic understanding of tourist phenomena;
- A guide for initiating development processes and agreeing destination meta-management strategies;
- A guide for defining policies of alignment between the specific objectives of individual players and the meta-objectives related to a shared strategy of destination development and positioning;
- A system of indicators suitable for the measurement of the efforts made to pursue medium and long-term objectives, with all of the political significance that such indicators may have.

However, these interesting opportunities come up against some obvious difficulties that make implementing strategic control panels for destinations even more difficult than implementing those for companies. Tourist destinations are not only extremely complex, but also generally characterised by the absence of a leadership group that is acknowledged by all of the members of the system. This is a major problem insofar as the history of the successes and failures in implementing BSC systems highlight the fact that appreciable results are much more likely if their introduction is keenly supported by a strong and acknowledged top management team, which is undeniably difficult in the case of a tourist destination. Even if a destination were to establish an organ of meta-management, it would never have the hierarchical power or be given the general recognition that can characterise company management. However, before going any further into this point, let us now consider what could be the potential indicators for a destination BSC.

### **Possible indicators in a destination strategic control panel**

One of the fundamental assumptions of a BSC is that an organisation (or tourist destination) cannot and should not measure everything, but must seek to identify measures that:

- allow the monitoring of result or process variables that are important to the strategy that the organisation has established for itself;
- are as objective as possible;
- are easy to obtain;
- are timely or (even better) anticipate the phenomena it is wanted to monitor.

From the point of view of implementing a BSC, the first of these points implies the opportunity to initiate its introduction by identifying the mission and underlying objectives that the system (organisation or destination) wants to pursue, and making explicit the hypotheses of the chains of cause-and-effect relationships that will affect their achievement. And these hypotheses are nothing other than the organisation's strategy. Applied to tourist destinations, this assumption has a series of implications that need to be underlined:

- BSCs for destinations must be "tailor-made" for each destination;
- There is no such thing as an absolutely valid BSC even when referring to a given destination. When developing a strategic control panel, everything starts from the definition of the underlying objectives and in a tourist destination different players may have very different opinions about which underlying objectives should be pursued. And that is not all. Different players can also have different ideas about how to pursue shared objectives, as well as different ideas about the main critical factors that the destination should keep under control.

Although the above highlights the complexity of developing a destination BSC, and the impossibility of constructing an objective BSC that is free of value judgements, it is important to stress that these difficulties have less to do with the BSC itself than with the reality that a destination meta-manager has to manage; in other words, it is the reality that is extremely complex, and not the control system intended to monitor it. On the contrary, for the meta-manager of a destination, strategic BSC represent an important tool for revealing the different underlying hypotheses driving the behaviour of the different players, helping them to identify objectives and hypotheses of cause-and-effect relationships that are as shared as possible.

We can now move on to outline the possible contents of a BSC for a tourist destination by summarising in general terms the work that has been done in relation to Florence. When considering what is said below, it should be remembered that the project is still ongoing, and the results are therefore provisional and still subject to change. Figure 1 shows the general framework used for Florence.

**Figure 1 – BSC of an urban destination: general framework**

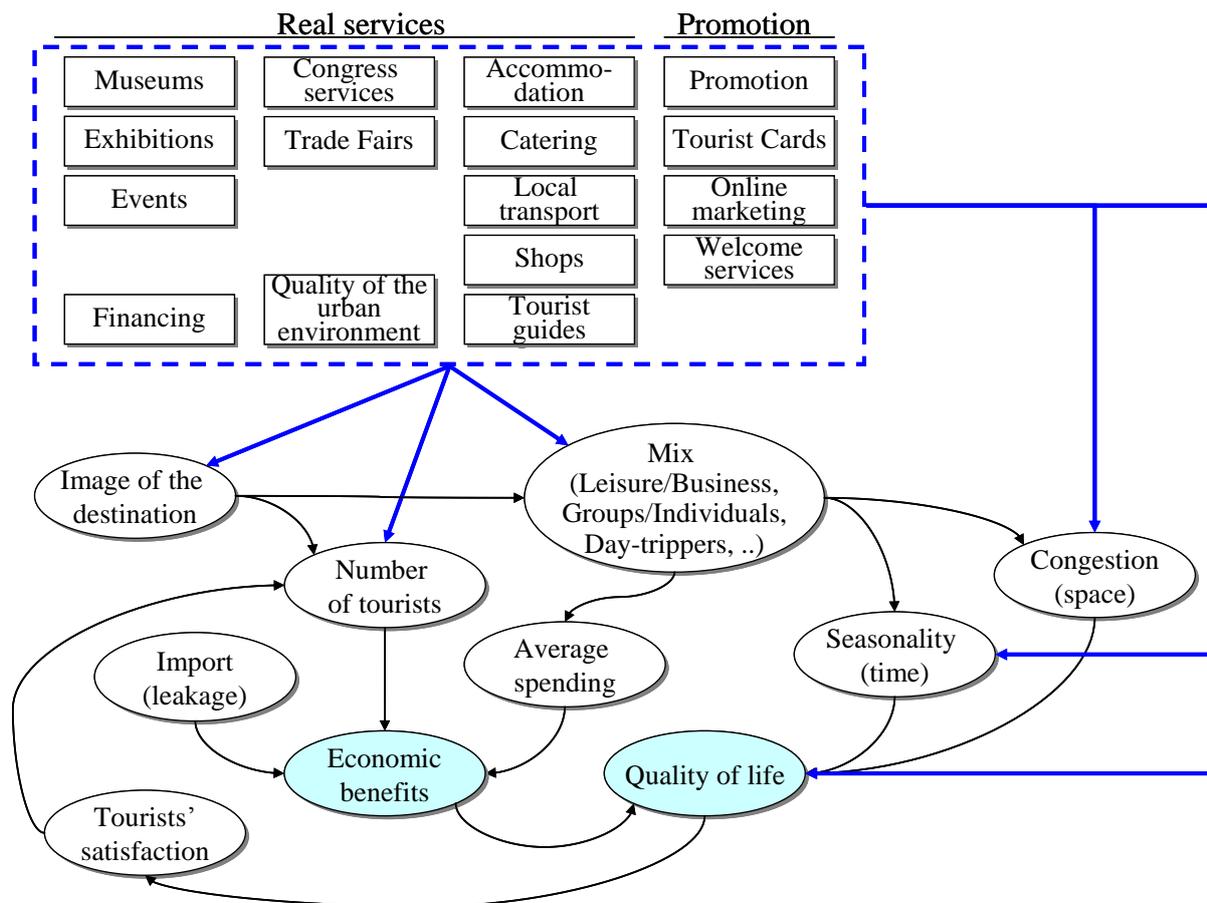


Figure 1 can be described as follows:

- The two main objectives a destination such as Florence can aim at achieving by means of tourism essentially concern economic benefits, and the quality of life of both tourists and residents.
- Economic benefits depend on the number of tourists (overnight stayers and day-trippers), their average spending (which greatly depends on the tourist mix), and the degree of dependence on imports from other economies. For example, in the case of Florence, the same number of tourists and the same average spending can lead to decreasing economic benefits if local shops and artisans are replaced by shops belonging to international chains that sell products not designed and manufactured locally.
- Although the relationship between tourism and economics is fundamentally positive, its relationship with the quality of life is more equivocal. While it is true that tourist services (particularly in terms of catering, transport and cultural events) can also improve the quality of life of residents by making available a range of services to which they would not otherwise have access, an uncontrolled increase in the number of tourists can lead to chaos, difficulties in gaining access to some services, and price rises that diminish the quality of life of both residents and tourists.
- In the specific case of Florence, it is therefore appropriate to consider seasonality (i.e. the distribution of the presence of tourists over time) and congestion (i.e. their distribution in space) as important intermediate results. Reducing congestion and seasonality can in fact lead to an improvement in the quality of life without affecting the number of tourists and, therefore, the financial income related to them.
- Average spending, seasonality and congestion are not only influenced by the composition or mix of the tourists, but also by the offer of real services and the undertaking of promotional activities.
- The set of activities carried out in order to develop tourism and respond to the needs of tourists are shown in the upper part of Figure 1 and can be divided into two groups: real services and

promotional activities. The list is clearly not exhaustive, but only includes the activities considered relevant in this specific case.

- The ways in which the listed activities are carried out may have a direct impact on presences, the tourist mix, seasonality and congestion, but also a more mediated impact by influencing the image of the city. In the case of Florence, for example, the trade fairs/exhibitions organised by Pitti Immagine certainly have a direct impact on tourist numbers (by increasing presences in the business segment on the days of the events) but their most significant impact in tourist terms is probably in relation to the image of the city. They contribute towards the international accreditation of Florence as a place of fashion and shopping, which in turn influences the number and quality (mix) of the tourists attracted to it, as well as their average spending.

Figure 1 summarises the main final (economic benefits and quality of life) and intermediate variables (number of tourists, average spending, mix, image, etc.) whose monitoring can make it possible to assess the trend of tourism in a destination such as Florence. However (with the sole exception of the image of the destination), these variables are essentially result and lagging variables, in the sense that they describe the results obtained (and not the processes set in being in order to obtain them) because of actions taken in the past. In order to identify process variables (and therefore measures) anticipating the results, it is necessary to consider the ways in which the activities are carried out.

It would take many pages to describe all of the areas of activity shown in Figure. We will therefore analyse in depth only the exhibitions area.

Put extremely briefly, the preliminary analysis of exhibitions in Florence revealed the following critical points:

- Exhibitions in Florence have a unique characteristic in comparison with the other Italian cities of art insofar as many of them are organised in the city's museums (particularly the large state museums such as the Uffizi and Accademia) and entrance comes with the ticket to the museum. It is therefore difficult to assess the real liking of the public for such exhibitions, especially in the case of the museums that have large numbers of visitors in their own right.
- On the other hand, the city is very weak in terms of independent exhibitions in places other than the museums, for which the number of visitors is decidedly low even in comparison with other minor cities of art with less tourist appeal. Over the last six years, only two independent exhibitions in Florence have managed to attract more than 100,000 visitors.
- Whether they are organised in the museums or dedicated exhibition facilities, the exhibitions can be divided into two broad categories:
  - Those aimed at residents and the tourists already visiting the city, which may increase the global degree of satisfaction of the people who find themselves in the city, but do not have any significant impact on its image or the number of presences.
  - The large exhibitions that are intended to have at least national resonance and attract visitors to the city specifically to see them. Florence is particularly weak in precisely this type of exhibition.
- One of the reasons operators give for the lack of market success of the exhibitions in Florence is the limited time beforehand with which they are decided and announced to the public and interested tour operators.

In relation to exhibitions in Florence, we can hypothesise some measures aimed at very briefly describing the trend of exhibitions as a whole, alongside others aimed at monitoring the large exhibitions.

Those relating to exhibitions as a whole are:

- The period covered by the programmed exhibitions at a given time (only the main exhibitions);
- Total number of visitors to independent exhibitions;
- Visitors to the most important exhibition (only independent ones);
- Market share of Florence in relation to all exhibitions in Italy with more than 100,000 visitors.



sold to other organisations. In terms of content, it is therefore possible to imagine the following indicators:

- Exhibition design: New design vs. Acquisition from third parties;
- In the case of co-productions: the involved partners;
- Budget for producing the exhibition (excluding promotion expenses);
- Sale of project to third parties: purchasing organisations.
- With references to seasonality, it is interesting to point out that, in an already very crowded destination such as Florence, the interest of organisers in concentrating their exhibitions in period of peak tourist flow contrasts with the interest of the destination in strengthening the attractiveness of the city during the low season. In a meta-management perspective, one interesting indicator could therefore be:
  - Index of “de-seasonalisation” (the number of opening days in low season / the number of opening days in high season).
- The effect of promotional activities can be related to the budget dedicated to promoting the exhibition, and the effectiveness of the communication and promotion. In this context, it is particularly important to create a relationship with visitors that lasts over time and authorises the organisers to contact visitors to previous exhibitions in order to make periodic announcements of new events and offers. In other words, Customer Relationship Management (CRM) is important. Furthermore, and especially for the organised tourism channel, it is important to give sufficient notice of the exhibition to allow the specialist operators to arrange service packages including it. Summary indicators for monitoring promotional activities could therefore be:
  - The number of months between the announcement and the opening of the exhibition (an index of programming capacity and the effectiveness of the promotion in the organised tourism segment);
  - Communication budget;
  - The number of bookings collected before the opening (an index of the effectiveness of the promotional activities);
  - The number of on-line bookings made (an index of the capacity to construct a customer database useful for subsequent direct marketing and CRM activities);
  - The average number of visitors per day during the first month of opening (an index of the effectiveness of the promotion).
- Finally, large exhibitions can have a dual impact on the tourist industry: they may have a direct impact on the number of tourists (day-trippers and overnight stayers) and their mix (by their nature particularly favouring individual tourism and short breaks), and they can also have a positive impact on the image of a city as a vivacious cultural centre. The possible measures on this front are:
  - % of additional tourists (visitors to the exhibition who would not have visited the destination without it, this measure could be estimated through periodic sampling surveys);
  - Number of additional tourists and their mix (the distinction between overnight stayers and day-tripper being particularly important);
  - The number of articles appearing in the national and international press;
- Finally, two summary indicators of the yield generated by public investment in large exhibitions and the aptitude of the organising bodies to support themselves over time can be calculated as follows:
  - Contributions received (from public bodies, bank foundations, etc.) / Number of visitors (or Number of additional visitors for exhibitions to which entry is included in the museum ticket);
  - Annual net income of the organising body.

As can be seen, the proposed system of indicators combines result and leading measures that make it possible to monitor the progress of ongoing exhibitions (average number of visitors per day in the first month), exhibitions that have not yet opened (the number of bookings before the opening), exhibitions that are still in the planning phase (production and promotion budget), and future exhibitions (the percentage of online bookings and, consequently, the number of addresses that can be used for

promotional activities). It is also important to stress that the assumed perspective is that of a meta-manager. This implies the exclusion of some indicators that would be extremely interesting from an internal point of view such as, for example, the number of visitors using the cafeteria or the percentage of total income attributable to ticket sales, and the inclusion of others that would be of little interest internally (such as the ratio between contributions and visitors, or the index of de-seasonalisation).

## Conclusions

What has been said in this article allow us to propose some preliminary conclusions concerning the use of BSCs in tourist destinations.

**Breadth of a destination BSC.** As tourist destinations are extremely complex and articulated, it is very necessary to establish wide-ranging sets of indicators. In order to make the BSC legible, it is therefore important to group the indicators by area, as in the example given in Figure 1.

**System of collecting and sharing the measures.** The number of indicators and the complex articulation of the players involved in collecting the data and/or interested in analysing the results, makes it essential to set up an online system of collecting and sharing the measures. The importance of an information system capable of gathering and distributing the data in real time is also one of the points underlined by Kaplan and Norton albeit in relation to companies.

**Implementing a BSC.** The differences between a destination BSC and a BSC relating to a single organisation include the way in which it needs to be introduced, and the order of the phases of its implementation. In the case of individual organisations, Kaplan and Norton recommend starting the process with top management, who should begin by agreeing on the cause-and-effect relationships between processes and results that will lead to a consistent company strategy, identify and quantify the related measures, and then use them to align the behaviours of the individuals operating in the organisation. However, it is difficult to respect this sequence in the case of tourist destinations because the complexity of the measuring system and the number of independent players that need to be involved are incompatible with the generally limited period of time available to the organs of meta-management (often politically appointed) to pursue concrete and measurable objectives. It is therefore suggested that the introduction of a destination BSC should follow a partially different route from that adopted by individual organisations. These phases could be:

1. The definition and analysis of the different areas of activities involved in the destination's tourist offer, the identification of the most evident critical factors, and the definition of a broad system of measures, divided by area.
2. The definition of a system of collecting and sharing the measures. In most cases, it is likely that this will involve developing an online platform with a system of level-based access that allows the automatic sending of reminders to the people who have to enter and upload the data, and the possibility of gaining on-line access to summary reports and the individual measures in real time.
3. This is followed by a phase of unpredictable length during which the system of measures is gradually refined and, above all, begins to be used in order to stimulate the initiation of a process of reflection with the aim of bringing into focus a desirable meta-management strategy. It must be stressed that the development of an agreed destination strategy is often made impossible by the existence of different ways of looking at a situation, and this is accentuated by the lack of an easily accessible, common database.
4. At the same time as phase 3 (see point 3 above), it would be useful to spread the use of BSC logic for the control of the most important individual organisations in the system, or at least those that carry out meta-management activities (in particular, tourist promotion agencies, convention bureaux and other major players such as congress centres, trade fair bodies, exhibition centres, the principal museums, etc.).
5. The gradual spread of incentive systems that help to conjugate the specific objectives of the individual organisations with the meta-management objectives of the destination.

6. With the support of the principal organs of meta-management, establishing the positioning the destination on the tourist market and a shared destination management strategy, and identifying a summary set of measures aimed at monitoring the extent of the pursuit of the agreed quantitative objectives.

**Support of top management.** As mentioned above, Kaplan and Norton suggest that the determined support of top management is indispensable for the successful introduction of a company BSC. However, although the presence of strong players in meta-management roles who decide to support the development of a destination BSC would doubtlessly accelerate its introduction, it is clear that most destinations are not characterised by such an ideal situation and would risk finding themselves without any instrument capable of systematically monitoring and evaluating performances. The introduction of a destination BSC should therefore be organised in such a way that it can be implemented even in the absence of the strong support of the heads of the principal meta-management bodies and in such a way as to constitute a good information system that is ready for immediate use whenever a strong meta-manager should become available in the destination.

In the absence of real cases of destinations in which a BSC has been fully and successfully introduced, it is not possible to offer scientific proof of the points developed in this article. However, we believe that what is said above is consistent with the real needs of many tourist destinations, and may provide a useful guide for setting underway the development of a tool that seems to have considerable potential.

## Bibliography

- Anthony R. N. 1965. *Planning and Control Systems*. Boston: Harvard Business School Press.
- Bieger T. 1997. *Management von Destinationen und Tourismusorganisationen*, München: Dritte Auflage.
- Buhalis, D. 2000. "Marketing the competitive destination of the future". *Tourism Management*, 21(SI), 97–116.
- De Carlo M., Parolini C. 2004. "I network come soluzione ai limiti della filiera turistica," in De Carlo M. editor, *Management delle aziende del turismo*. Milano: Egea.
- Flagestad A., Hope A.C. 2001. "A model for strategic success linked to sustainable tourism; the strategic performance pyramid." *Tourism Management*, vol. 22, n. 5, October.
- Franch M. 2002. *Il destination management. Governare il turismo tra locale e globale*. Torino: Giappichelli.
- Hofer C., Schendel D. 1978. *Strategy Formulation: Analytical Concepts*, St. Paul: West Publishing.
- Kaplan R. S., Norton D. P. 1992. "The Balanced Scorecard: measures that drive performance," *Harvard Business Review*." vol. 70, num. 1, pages 71-79.
- Kaplan R. S., Norton D. P. 1993. "Putting the Balanced Scorecard to work," *Harvard Business Review*." vol. 71, num. 5, pages 134-147.
- Kaplan R. S., Norton D. P. 1996. "Using the Balanced Scorecard as a strategic management system," *Harvard Business Review*." vol. 74, num. 1, pages 75-85.
- Kaplan R. S., Norton D. P. 1996. *The Balanced Scorecard: translating strategy into action*, Boston: Harvard Business School Press.
- Kaplan R. S., Norton D. P. 2000. *The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment*. Boston: Harvard Business School Press.
- Kaplan R. S., Norton D. P. 2004. *Strategy Maps: Converting Intangible Assets into Tangible Outcomes*, Boston: Harvard Business School Press.
- Kaplan R. S., Norton D. P. 2006. *Alignment: Using the Balanced Scorecard to Create Corporate Synergies*. Boston: Harvard Business School Press.
- Lebas M. 1994. "Managerial Accounting in France: Overview of Past Tradition and Current Practice." *The European Account Review*, n. 3.
- Martini U. 2002. "Il Destination Management nel turismo alpino. Un quadro di riferimento concettuale e l'analisi di un caso." *Economia e Diritto del Terziario*, n. 1.
- Molteni M., Sainaghi R. 1997. "Il management di un distretto turistico," *Economia & Management*." no. 6.
- Pal J., Sanders. E. 1997. "Measuring the effectiveness of town centre management schemes: an exploratory framework." *International Journal of Retail & Distribution Management*, n. 2.
- Parolini C. 1999. *The Value Net*, Chichester: Wiley & Sons.
- Parolini C. 2005. *Metamanagement del Turismo Urbano*. Milano: Egea.
- Pechlaner H., Weiermair K. 2000. *Destination Management*. Milano: Touring University Press.
- Pechlaner H., Smeral E., Matzler K. 2002, "Customer Value Management as a determinant of the competitive position of tourism destinations." *Tourism review*, vol. 4, pages 15-22.
- Rispoli M. 2002. *Prodotti turistici evoluti. Casi ed esperienze in Italia*. Torino: Giappichelli.
- Sainaghi R. 2002. *La gestione strategica dei distretti turistici*. Milano: Egea.
- Shank J. K. - Govindarajan V. 1993. *Strategic Cost Management*. New York: The Free Press.
- Turney P. 1991. *Common Cents: The ABC Performance Breakthrough*. Hillsboro: Cost Technology.
- Van den Berg L., Van der Meer J., Otgaar H.J. 1999. *The attractive city, catalyst for economic development and social revitalization. An international comparative research into the experiences of Birmingham, Lisbon and Rotterdam*, European Institute for Comparative Urban Research (EURICUR), Euricur Series, Ashgate, Aldershot Erasmus University Rotterdam.

Van den Berg L., Braun E., Otgaar H.J. 2002. City and Enterprise; From common interests to joint initiatives, Euricur Series, Ashgate, Aldershot Erasmus University Rotterdam.

Van den Berg L., Van Winden W., Woets 2003. ICT Clusters in European Cities during the 1990s; Development patterns and policy lessons; The cases of Amsterdam, Cork, Dublin, Groningen, Helsinki, Jönköping, Oulu and Stockholm, Euricur Series, Ashgate, Aldershot, Erasmus University Rotterdam.

Van der Borg L., Russo. A. P. 2002. Planning Considerations for Cultural Tourism: a Case Study of Four European Cities, Euricur Series, Ashgate, Aldershot Erasmus University Rotterdam.