

Developing Underground Heritage Business Models

Creative tourism as a strategy for the UBH promotion

Álvaro Dias

13.1. The Framework

This article crosses two themes: the development of business models and the creative tourism, with the objective of presenting a framework to increase the competitiveness of an underground heritage site competitiveness. A business model incorporates a plan for the successful operation of a business, detailing the core elements, such as, the value proposition, sources of revenue, target segments, products, and financing. Amit and Zott [1] define business model as the design of transactions conducted by an organization, represented by the content, structure and governance of all the organization activities and processes to create value through the exploration of business opportunities. This model can be combined with the NICE framework, a mnemonic referring to Novelty, Lock-in, Complementarities and Efficiency, considered as the four value-generating dimensions of a business model [2].

The main reasons to adopt this methodology are:

- Differentiation
- Offers a ‘birds eye’ perspective about the business structure
- Centred on the Value Proposition
- Allows thinking outside the box

Figure 13.1 shows a useful model named Business Model Canvas [3]. The central idea of this model is to allow a business to be fully viewed on a single page. An important aspect of this model is the visualization through a drawing, and not only by text. This means that by looking at the diagram, it is possible to quickly understand all the blocks and make comparisons and relationships between them.

The central dimension is the value proposition consisting on a statement about what customers get from buying your product. By other words, the value proposition is how companies differentiate themselves from competitors. Then, on the right side of the model, the decision-maker writes the activities need to reach the market and on the right side the resources, partnerships and organizational activities that support the value proposition. The lower part consists on budgeting.

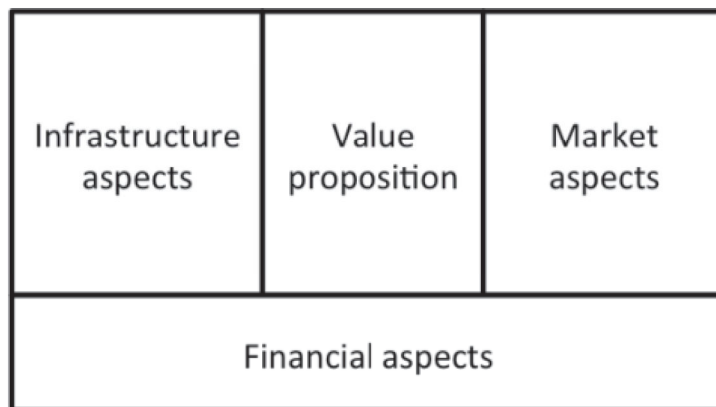


Figure 13.1: Simplified Business Model Canvas

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Considering the definition of the value proposition, a UBH site touristic plan must think about the differentiation arguments. The development of the type of tourism, which we could define creative, is the result of an evolution in cultural tourism, with visitors seeking more participatory experiences in which they become active players [4]. However, since we live in a context where competitive parity is too common, the cultural heritage tends to become commoditized into experience modules in the form of museums, festivals, or city tours [5]. Similar tourist product portfolios will not easily distinguish one destination from another. As such, creativity is one path to differentiation, and has become one of the essential elements for the transformation of traditional cultural tourism into creative tourism.

Creative tourism can be defined as the travel directed toward an engaged and authentic experience, with participative learning in the arts, heritage, or special character of a place. It provides a connection with those who reside in a specific place and create a living culture [6]. As such, it allows visitors to develop their creative potential through active participation in learning experiences associated to

the place where they are undertaken [7]. The key assumptions of creative tourism are:

- Has to do with creativity, local culture, co-creation with local people
- Active consumption of places and active participation, authentic experiences
- Traditional cultural tourism is required to re-invent itself to fulfil the needs of tourists who are searching for a more meaningful experience.

On this vein, the experience is at the core of creative tourism, changing the concept of the product, since the idea of a service with clear ‘boundaries’ turned into something blurred where the distinction between production and consumption is faded [8]. Together with things, artefacts, and physical amenities, the creative experiences incorporate a closer connection with individuals through the creativity process and experience [9].

The service providers represent another important dimension, since creative tourism usually requires the integration of several actors, acting in networks of value [10]. Providers, companies and tourists are involved in co-creating the tourism experience [5] [11]. As such, the higher the cooperation between actors the higher the value-networks representing a basis for competitive advantage for small firms [12].

The advantages of the application include:

- i. The diversification of the tourist offer, which allows reaching different segments
- ii. Increasing the offer for the low season
- iii. Increasing visitor satisfaction through the co-creation of experiences
- iv. Creation of a shared vision through a common narrative
- v. Preservation and enhancement of intangible heritage

On this vein, several approaches to increase the experience value added can be considered:

- i. Creativity in its relationship with the cultural and human elements of a particular place
- ii. Differentiated experience should rely on the cultural environment of that specific place
- iii. Possibility of creating experiences through the co-creation of innovative products, through a heritage and creative artistic conjugation.

However, the development of creative tourism projects is not easy. On the one hand, it is necessary to obtain the cooperation of several local actors, some of them with conflicting goals [11]. On the other hand, this type of tourism requires the acquisition of skills (market orientation, communication, and marketing, among others) not always available in this set of actors and entrepreneurs [13]. A third difficulty is linked to the mind-set change. Stamboulis and Skayannis [14] posit that “(e)xperience has always existed in destinations. It was considered however as context rather than content. It was taken for granted - a by-product - rather than innovated (created and developed)” [14, p. 39].

13.2. Final considerations

The use of the Canvas model to structure a business model is very frequent. It is a simple tool, but one that supports decision making and above all reflects on how to create value for the client and avoid falling into the fallacy of homogenization of services and experiences provided by the site of heritage.

Creative tourism is a proposal to be considered in this reflection since it promotes the creativity of both the participant and the hosts. The development of the person through participation in activities that tend to be tailor-made allows increasing the level of satisfaction of visitors. At the same time, this co-creation of experiences works as a feedback mechanism, perceiving more precisely the needs to be satisfied.

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