

José-Carlos García-Rosell, Minni Haanpää,
Mika Kylänen and Vesa Markuksela¹

From firms to extended markets: A cultural approach to tourism product development

Abstract

The tourism industry is a rapidly growing economic and cultural domain with remarkable societal effects. Critical tourism studies have discussed these effects from different theoretical perspectives. However, they have mostly concentrated on existing tourism products - on their consumption and consequences - and left tourism product development without critical attention. We take up the task of filling this gap. By leaning on the cultural approach of marketing and critical tourism studies we suggest that tourism product development has - as originating from modern marketing and management disciplines - taken the viewpoint of large manufacturing enterprises, and separated service providers from consumers. In this article we discuss a more comprehensive way of understanding product development in tourism. We highlight the complexity and contextualised nature of tourism products and their development by approaching tourism product development from a cultural perspective. We argue that product development should be regarded not only as a managerial process but as a multi-actor cultural construction that allows us to translate cultural market knowledge into products and to keep up with cultural and ideological changes. Instead of renewing the traditional dualism of production-consumption, we theorize and reconceptualize markets to break off from dichotomies separating customers, firms, employees, locals, and regional economic development - production and consumption - from each other. Different market actors are embedded in the markets where several market activities are represented and negotiated to develop competitive and sustainable tourism products. It is time to do business as unusual.

Keywords:

tourism; product development; postmodern marketing; cultural approach; critical tourism studies

Introduction: Product in tourism

"I think this is the main element here, that we have a human being 'living' the nature presentation with the customers, together. And it is the local person. The customers have been truly pleased when they can ask the guide, like: 'Do you really live here?' 'Yes, I do, I live here all year round, and this is not just a place where I come to work for the winter.' And such, it is like the tourist would get a bit deeper and a bit more inside into the nature where we live, when we

José-Carlos García-Rosell, M.Sc., Faculty of Business and Tourism, University of Lapland, Rovaniemi, Finland
E-mail: jgarcia@ulapland.fi

Minni Haanpää, M.Soc.Sc., Faculty of Business and Tourism, University of Lapland, Rovaniemi, Finland
E-mail: minni.haanpaa@ulapland.fi

Mika Kylänen, M.Sc., Faculty of Social Sciences, University of Lapland, Rovaniemi, Finland
E-mail: mika.kylanen@ulapland.fi

Vesa Markuksela, M.Sc.Econ., Faculty of Business and Tourism, University of Lapland, Rovaniemi, Finland
E-mail: vesa.markuksela@ulapland.fi

TOURISM

REVIEW
Vol. 55 N° 4/2007/445-459

J.C. García-Rosell, M. Haanpää, M. Kylänen and V. Markuksela
UDC: 338.487:338.33

445

have the local human as a link. - - - It is a shared experience, a collective situation. I think this is the most important thing in the product." A Tourism-based micro-entrepreneur in Lapland, Finland, Interview 3 (Kylänen, 2005, p. 112-113.)

As illustrated in the example above, a tourism product entails several specialities. Tourism goes beyond the usual system of trade and production and dynamic consumption, but is also connected to broader cultural and societal phenomena. Tourism products are almost simultaneously produced and consumed in an experiential setting. The production/consumption of tourism more interestingly relates to space and place (see Bærenholdt, Haldrup, Larsen & Urry, 2004; Rojek & Urry, 1997; Urry, 1990), and hence, culminates to destinations (Ateljević, 2000; Pritchard & Morgan, 2001). Tourism places are anything but closed, stable and passive elements in the globalized tourism business. They are complex mixtures of the tangible and the non-tangible, tourism and non-tourism, hosts and guests, and authorities at different levels. Thus, places do not exist as such but are active socio-cultural constructions that change over time due to internal and external processes (see also Ringer, 1998; Saarinen, 2001). (See Larsen, Urry & Axhausen, 2007; Shaw & Williams, 2004, pp. 2, 21-2, 186-187.)

Critical tourism studies have presented a major contribution in identifying, theorizing and critiquing the effects of institutionalized tourism from different theoretical perspectives (e.g. Ateljević, Pritchard & Morgan, 2007; Pritchard & Morgan, 2006; Ringer, 1998). Interest has been shown towards such issues as gender and body (e.g. Veijola & Jokinen, 1994), employees' perspective (e.g. Ateljević & Doorne, 2003; Cukier, 1998), the interaction between local community and industry and/or local community involvement (e.g. Jamal & Getz, 1995; Shaw & Williams, 1994; 2004), sustainability (e.g. Fadeeva, 2003; Saarinen, 2001) as well as authenticity in reproduction of culture (e.g. MacCannell, 1976/1999; Rojek & Urry, 1997). However, the tourism product and especially its product development have gained fairly little attention to date. The focus has mostly been on existing tourism products – on their consumption and consequences – and the development of tourism products has been left without enough critical attention. Moreover, the regional range of tourism products has not been thoroughly understood (Grefe, 1994; Murphy, Pritchard & Smith, 2000). We propose that product development is the key process in production and reproduction of values and meanings. Possible sustainability of tourism thus lies in the products and their effects on the social and natural environment. So it is in product development where the principles of sustainability are constantly being renewed and renegotiated.

This article is written from a cultural perspective. We thus concentrate on the meanings, processes, practices, power relations, and values that become emphasized in the analysis of tourism production and consumption. Particularly informed by the cultural approach of marketing (see Brown, 1993; Firat, Dholakia & Venkatesh, 1995; Moisander & Valtonen, 2006; Peñaloza & Venkatesh, 2006) and critical tourism studies (see e.g. Ateljević, 2000; Higgins-Desbiolles, 2006; Pritchard & Morgan, 2001; Shaw & Williams, 2004; Urry, 1990), our aim is to observe tourism product development as a cultural construction. This enables us to fill the gap with a more holistic framework that takes the distinctiveness of the tourism product into account. We therefore ask how the theorization of the markets (e.g. Venkatesh & Peñaloza, 2006) contributes to the understanding of tourism product development.

We understand markets as a cultural multi-actor construction. This highlights the constantly on-going negotiations and struggles for meanings occurring in the market-places between different actors in an emerging global context. (Ahola, 2007; du Gay,

Hall, Janes, Mackay & Negus, 1997; Venkatesh & Peñaloza, 2006.) Our perspective goes beyond the traditional "Supply meets Demand" -setting by suggesting that the touristic production process is a social and cultural practice (see Edensor, 2001; Moisander & Valtonen, 2006). Thus, tourism places are not produced only by the industry or the gazing tourists, but by something beyond designable and foreseeable processes. These places receive their meanings only through concrete production processes that connect people to the world by contextualising one's experiences. Production of spatiality is a face-to-face and face-to-place process of practice and performance. (Bærenholdt et al., 2004.)

Tourism is in the niche of production/consumption dialectics as it lies at the heart of (re)production of space and (re)construction of place (see Ateljević, 2000). Consequently, tourism is an example of the sign economy, as the economic is connected with the socio-cultural and the symbolic meanings (see Firat & Schultz, 1997; Venkatesh, 1999). Tourism destinations are produced through complex processes and practices of co-located actors that create the regionally extended product (see Greffe, 1994; Michael, 2007; Pritchard & Morgan, 2001; Urry, 1990). The complexity of the tourism product and its development process require more in-depth study of the tourism industry from a socio-cultural perspective and, therefore, rethinking the modern approach (e.g. Edvardsson, Gustafsson, Johnson & Sandén, 2000; Johne & Storey, 1998), which has been mainly based on traditional management and marketing theories with an emphasis on economic transactions and exchange (e.g. Hunt, 1991) and/or customer satisfaction (Kotler, 2003).

We by no means try to capture the whole phenomenon of production/consumption connectedness. Rather, our aim is to bring together two surprisingly distant camps of understanding, one of critical tourism studies (see e.g. Ateljević, 2000; Ateljević et al., 2007; Bærenholdt et al., 2004; Shaw & Williams, 2004) and one of the cultural approach of marketing (see e.g. Firat et al., 1995; Moisander & Valtonen, 2006; Venkatesh, 1999). The key goal in the contribution is to suggest an approach to better understand product development in tourism as an interchanging relationship between tourism studies, marketing and organization studies.

We approach tourism product development from three interrelated topics and conceptualizations. The first one, discussed in this introduction, gives special regard to unique characteristics of the regional nature of the tourism product, followed by some leading ideas and principles on product development in tourism. And, thirdly we offer an alternative approach to understand product development in tourism regions: the theorization of the markets originating from cultural consumer research. Also, some similarities will be brought out from services marketing and geography of tourism emphasising the same transitions in breaking the dichotomies of production and consumption. Consequently, an operationalization for the somewhat abstract thoughts of postmodern marketing and the theorization of the markets will be presented. Finally, we will consider some future directions for debate.

Developing products in tourism

In tourism studies, product development has been discussed from different angles, but rather narrowly. The phenomenon has been explained with models and views originating from marketing and management perspectives (Komppula, 2001). The understanding and implementation of product development models are grounded on the view of the tourism product. Different models for the tourism product have been suggested (e.g. Middleton, 1994; Murphy et al., 2000; Smith, 1994). One of the much cited

tourism product definitions is formulated by Smith (1994). Smith discusses product development in tourism and to further understand the process, he proposes a five-element model of the tourism product. He states that some of the elements, physical plant, service, hospitality, freedom of choice and involvement, can be empirically measured for the industry's economic sake. He also claims that the model acknowledges the role of human experience (Smith, 1994). From the supply side the model seems to view the product with the eyes of management. According to Smith it fits into the needs of one firm in contrast to many recent studies in which the focus is on a destination level (e.g. Murphy et al., 2000). This model has been critiqued as being production oriented and emphasizing outputs and phases, leaving out the customer (Komppula 2001). Smith's Generic Tourism Product has clearly been inspired by Kotler's (1988); see also Grönroos (1993); Middleton (1994) circle model, three levels of the product, which include the core product, the tangible product and the augmented product.

Heath and Wall (1992) suggest that the tourism product development process includes phases like Opportunity Identification, Design, Testing, and Introduction. Pender (1999) lists four main steps in the product development process: Genesis and Evaluation, Early Development, Introduction, and In-market evaluation and advanced development. These product planning steps take place inside the tourism companies. By identifying steps and phases the models illustrate the process as a straight forward action inside the firms, starting from one point and ending at another. We argue that this might not be the case when a regional tourism product is formed, and this listing of phases fails to capture some essentials of the process.

The tourism product development models have also been criticized for their focus on the technical properties of the product rather than the customer experience (Haahti & Komppula, 2006). Building on this critique, models acknowledging the customer experience and benefits have been proposed (Haahti & Komppula, 2006; Komppula, 2001; Lumsdon, 1997). Some of these models presented recognize the customer value as the core of the products (e.g. Murphy et al., 2000). However, they end up identifying a service (delivery) process that combines all possible activities, facilities, resources and services of a destination. Although these circle models help to frame the width and scope of touristic offerings and help to identify some key elements relating to the production and consumption of tourism services, they fail to emphasise their dynamics. They prefer a traditional exchange-based approach, either leaning strictly towards a supply-orientation or a demand-orientation. In addition, they build on the dualist producer-consumer view, where the service provider is the subject and the customer is the object.

The product development models presented raise some questions of applicability. As they are based on rather traditional managerial perspectives, they tend to neglect the social aspect in both consumption and production. The models concentrate on the value creation and experiences of the individual customer and focus on his/her cognitive process (e.g. Murphy et al., 2000). They represent the customer as an individual consuming places according to his/her needs and wants. In doing so, they fail to capture the social nature of the place. The models also fail to emphasize that the value for the consuming tourist does not build only on using the product i.e. visiting the tourist destination but on more experiential elements and active doings (see e.g. Perkins & Thorns, 2001; Stamboulis & Skayannis, 2003).

Although most of the models acknowledge that a tourism product can be an entire region, they fail to understand the complexity of the process. When the product com-

bines both the industrial and the consumer markets, the process cannot be viewed only as a manageable process (Venkatesh & Peñaloza, 2006). Product development is a socio-cultural practice and, unfortunately, it is being neglected when it is dealt with and modelled into "boxes" and circles that represent the different phases of the process. The recognition of the social nature of tourism products is also important on behalf of the local community, since it could play an important role in helping to build tourism products that are socially and culturally sustainable (Fadeeva, 2003; Jamal & Jamrozy, 2006; Stronza & Jamal, 2007). The product development process in tourism raises questions on knowledge and power. How the knowledge possessed by locals and workers could be taken into account in the process, since they are often holders of relevant market knowledge (see Jamal & Jamrozy, 2006). When the product is an entire region, as in the case of destinations, one should reflect on how these different voices could be heard.

In the case of small enterprises the main weakness of these models lies in the lack of the socio-cultural values. Often in small enterprises entrepreneurship is rather a way of life than a business-wise choice. Yet these entrepreneurs are frequently able to create innovative products because of their ability to articulate the sense of place and community. The cultural context plays an important role in small business environments, as the growth and development of businesses happen via local culture and shared values. (Ateljević & Doorne, 2000; see also Massey, Harris & Lewis, 2004.) The traditional product development models tend to leave these kinds of innovations out since they focus merely on the companies and their managers. Hence, the actual process and the values veiling the choices are simply dismissed. In order to highlight the deeper socio-cultural issues of product development a new perspective is needed, an approach that keeps from separating the providers and the consumers from each other.

Although New Product Development and New Service Development are probably the most used concepts in discussing product development (e.g. Alam & Perry, 2002; Edvardsson et al., 2000; John & Storey, 1998; Kelly & Storey, 2000), we take up the product development practice more holistically. We wish to analyze the process and principles, not the actual type of product development. When discussing product development we refer not only to the developing new products but also to the existing products being redesigned. The socio-cultural nature of the tourism product questions the notion of the product ever being completed but rather it should be seen as a constantly evolving and on-going process. In the case of tourism products, the discussion should be extended from only new product or service development to product or service development in general. The tourism product is constantly being created by the different parties participating in its production and consumption. Instead of only talking about the product, one should analyze the tourism product as a process that creates potentials in a multicultural, communal and globalized setting. This gives better possibility to understand the nature of the tourism product and overall experience, and its connection to customer reproduction of self-images, one's social relations, and one's everyday life (see Cova, 1997; Larsen et al., 2007). The traditional view of the product as a fixed, "ready-made" entity with managers and their employees as the producers, as the conventional models put it, does not give a lifelike picture on the matter. It is hard to define, where the tourism product starts and where it ends. It is also hard to outline in some cases as to who is the consumer and who is the producer. This is why we feel that process definition gives a more comprehensive understanding. Tourism region is a process into which tourists immerse themselves. (Firat et al. 1995; Firat & Schultz 1997; Firat & Dholakia 2006; Venkatesh, 1999).

From managerial standpoints to cultural construction of markets

The new understanding of the tourism product also calls for a different definition of tourism product development. Due to the nature of the product, we argue that product development should be regarded not only as a managerial process but as a cultural construction that allows us to translate cultural market knowledge into products and to keep up with the cultural and ideological changes.

The thought of modern marketing is wide-spread (e.g. Shaw & Jones, 2005). Management oriented modern marketing has gained its central position through the popularity of the marketing concept. The core of the marketing concept, to know and serve customer wants at a profit, has been extended not just to an ever-growing range of institutions but to modern culture as a whole (see Firat & Dholakia, 2006). Modern marketing has also affected the tourism line of business. Its effects can be seen for example in consumer conceptions, stakeholder relationships, value creation perceptions and processes, tourism product definitions and product development models of the tourism business.

Recently, the winds of change have been blowing through the marketing thought. Especially, the vast body of services marketing literature (e.g. Grönroos, 2006; Vargo & Lusch, 2004) has contributed to deeper understanding by emphasizing a shift from traditional goods dominant logic to service-dominant logic and to the idea of a more co-productive stance on marketplace behavior and value creation. Also, the school of relationship marketing has contributed to the shift from the "traditional way" of modern marketing to a broader perspective – from dyadic relationships to many-to-many marketing (Grönroos, 1993; Gummesson, 2004). These developments have challenged modern management viewpoints. Despite this clear progress of marketing worldview, critics have emerged. Especially, the academics that have ushered interpretive, poststructuralist and postmodern approaches to marketing (e.g. Brown, 1993; Firat, 1990; McCracken, 1988; Venkatesh, 1999) have implied that the advancement drift from goods to services does not go far enough.

Accordingly, marketing is still considered as a separate business activity. It is a tool that seeks the best solutions to meet the consumers' needs in order to create value in an exchange event between two distinct parties. (Bagozzi, 1986; Firat & Schultz, 1997; cf. Kotler & Armstrong, 1991.) This resembles John Deighton's (1992) argument, that markets are theatrical "stages", in which exchanges and competition take place (see also Buzell, 1999). In addition, on the stages market "actors", the professionals, present themselves and their actions before an "audience", the customers, in a satisfying manner (cf. Firat & Dholakia, 2006). Although the customer is seen more and more as a participant, the fundamental dichotomy – the subject-object scheme of the firm and its customer – has remained. In a nature-based-tourism context this dichotomous production-consumption viewpoint is actualized when service professionals, the tour guides, "herd" tourists safely around. Simultaneously they are staging unique experiences to them. Doing so, they are ensuring that the tourists return contented, with fine memories of their leisure time (e.g. Ang, 1990; Arnould, Price & Tierny, 1998). This modern managerial marketing approach and its clear distinctions do not completely fit to the present-day conditions.

For, the contemporary world is in state of flux. It is a world of motion and complex inner connections. A myriad of processes operating on a global scale constantly cuts across national boundaries integrating different cultures. It is also a world of mixtures of cultural flows – respectively, of capital, people, commodities, images, and ideologies.

(Inda & Rosaldo, 2002.) Then again, in the global society, economy and the world of business play a significant role in the production of culture (Moisander & Valtonen 2006). Yet, the modern managerial marketing approach tends to downplay the cultural dynamics and social complexity. Therefore, a change in the marketing thought is not an option but a necessity.

We suggest that the layer of insulation between the professional "actors" and "the audience" should be eroded. It is myopic in the contemporary complex marketing environment to focus *either* on the marketer *or* on the consumer or even on customer-firm relationships (Greenley & Foxall, 1998; Kohli, Jaworski & Kumar, 1993; Slater & Narver, 1995). We urge that, business and consumption contexts should be viewed more broadly, the emphasis should be on the "stages" – on the markets. However, the stage is inspected as an enlarged ensemble of doers and doings.

In the theorization of the markets, a market is a set of institutions and actors – marketers and consumers – located in a physical or virtual space where marketing-related transactions and activities take place (Venkatesh & Peñaloza, 2006). We consider the markets in the spirit of Venkatesh and Peñaloza (2006) as a construction of subjects-to-subjects relationships. There the customer subject is an active producer of meanings, who is in constant interaction with the surrounding social, cultural and consumption structures (see Peñaloza, 2001). The customer is often *subjected* not just to the marketer, but to other consumers as well. As Firat and Dholakia (2006) suggest the notion of community opens up a fruitful societal conceptual territory that enables us to encompass the complex and reciprocal 'play' of various subjects in contemporary marketplaces. Accordingly, marketplace actors are not considered as individuals with separate and inscribed tasks and roles, but as community members whose tasks and roles are merging, blurring, and dissolving during the course of the marketplace (see also Firat & Venkatesh, 1995). Together with Venkatesh and Peñaloza (2006), we see that marketing is something that takes place within the markets and the marketplaces. We allege that it is important to emphasize more cultural and social tenets to marketing and to apply these ideas to marketplace thinking. This cultural approach of marketing provides firms and marketers as well as consumers, consumer organizations and consumer policy-makers with new conceptual tools and methods for gaining a better understanding of the cultural complexity of the marketplace and helps them to reflect on their roles in the markets (Moisander & Valtonen, 2006).

Along with marketing, the cultural geographical studies of tourism have identified the importance of stepping beyond the production/consumption division. On the footsteps of tourism geographers (Britton, 1991; Ioannides & Debbage, 1998; Ringer, 1998), Ateljević (2000) sums up the emerging consensus by suggesting the transcendence of boundaries between production and consumption, or in cultural geographical terms, economy, and culture. As both production and consumption are interconnected in tourism through reproduction of spatiality, places and even redevelopment of products, the value of the dichotomous approach can be questioned (Jamal & Kim, 2005; see also Pritchard & Morgan, 2001). Their postulate is therefore to illustrate the connectedness of tourism with the fabrics of everyday lives and identities, and wider social and natural systems, and more importantly to identify the political economy of tourism, and the power structures of capitalist production. Thus, this breaking of the production/consumption dichotomy has not been taken into product development context but has been used in order to identify the political economy of tourism, and the power structures of capitalist production. As a conclusion, we are claiming that not only is cultural geographical studies of tourism in the nexus of production/consumption (see Ateljević

2000) but also marketing (Firat et al., 1995; Firat & Venkatesh, 1993). It is time to do "Business as unusual".

Business as unusual in action

Increasing complexity of the marketing environment and general changes in society are particularly demanding for marketers to become more conscious of daily business processes. For instance, sustainability, which has been a current topic of debate, represents one of the challenges faced by today's marketers and consumers. This relates to the request for marketers to become more stakeholder-oriented presented in marketing (see e.g. Fry & Polonsky, 2004; Maignan, Ferrell & Ferrell, 2005) and tourism studies (Bramwell & Sharman, 1999; Buhalis, 2000; Jamal & Getz, 1995). In both marketing and tourism studies, most authors follow Freeman's (1984) definition of stakeholder: "any group or individual who can affect or is affected by the achievement of an organization's objectives." In this regard, value creation is not only restricted to customers, since a stakeholder involvement may create (or even decrease) value for the different market actors involved.

Nowadays, it is very important that firms recognize their relationships with the diverse stakeholders and then ensure the inclusion of these stakeholders in strategic development (Buhalis, 2000; Fry & Polonsky, 2004). This connectedness becomes more and more evident in the tourism sector – a highly fragmented industry – where products affect or are affected by the different actors which have a stake in the destination (Aas, Ladkin & Fletcher, 2005; Hall, 1994; 1999; Murphy, 1988; Roberts & Simpson, 1999). Since sustainability has become a relevant topic of discussion in tourism (e.g. Saarinen, 2006), there is a need for making the marketing planning process more participative and inclusive by considering the different stakeholder interactions. Actually, the need for coordination and collaboration in the tourism planning process has been recognized in several contributions (see e.g. Aas et al., 2005; Hall, 1994; Jamal & Jamrozy, 2006; Roberts & Simpson, 1999).

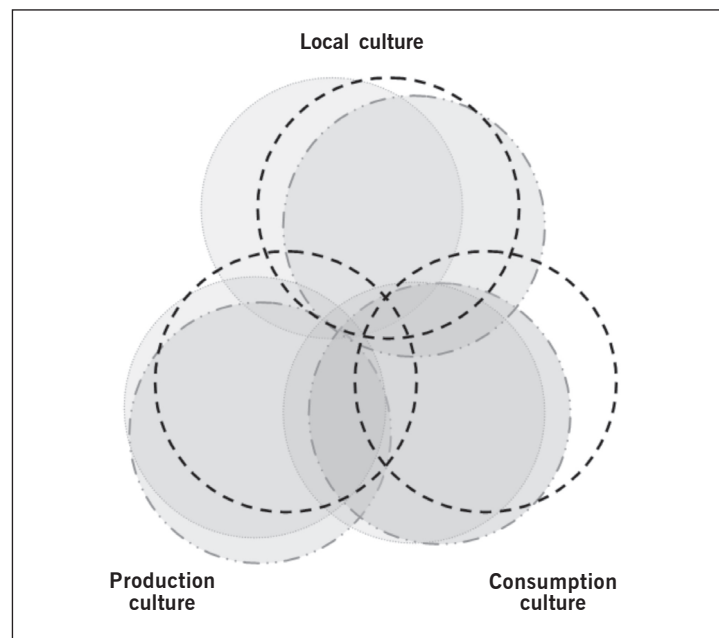
In fact, whereas tourism has been recognized as an industry capable of generating growth in regional economies, it has also been criticized for its negative economic, environmental and socio-cultural impact on host destinations (Holden, 2003; Ladkin & Martinez Bertramini, 2002; Saarinen, 2006). This calls for more participative and integrative practices in business development and planning in which different stakeholders may not only be considered but also have the opportunity to interact, negotiate, resist and reflect their actions and impacts on the production and consumption of the destination. Tourism studies literature in particular has drawn attention to stakeholder theory as an engagement strategy, which focuses on mutual responsibilities and the need for dialogue among the members of a particular community or region (see Bramwell & Sharman, 1999; Hall, 1999; Jamal & Getz, 1995; Murphy, 1988; Roberts & Simpson, 1999). At the same time, there are also several contributions that discuss stakeholders from a management perspective (Buhalis, 2000; Robson & Robson, 1996; Sautter & Leisen, 1999; Sheehan & Ritchie, 2005). That is, rather than dealing with community planning, managerial contributions emphasise the modernity-based business thinking, where the stakeholder relations are observed, firstly, from the perspective of the single company, and secondly, as a rational, totally manageable strategy handled by the manager.

Nevertheless, when markets, and in this case tourism regions, are considered as cultural constructions in constant development, there is a need to comprehend the interactions existing between the different stakeholders rather than to merely manage them. Moreo-

ver, stakeholders begin to be seen as marketplace actors who help to construct the destination. We therefore suggest moving beyond the traditional stakeholder approaches – engagement and management – by combining the essence of stakeholder theory and the theorization of the markets. Such a theoretical combination provides a more comprehensive market orientation that goes beyond studying customers and firms to include other marketplace actors (e.g. local people, local authorities, interest groups, etc.). Particularly, in the tourism sector – where the boundaries between production and consumption fade away – an extended market approach may forge new understanding on the social processes embedded in production and consumption activities. By an extended market approach we mean a constitution of various marketplaces or marketspaces, in which doers, a set of institutions and actors are located. It is a space where, not only marketing-related transactions and activities take place but also social reality is produced. Thus, the notion of extended markets refers to a joint cultural production process in which marketers, consumers and other marketplace actors produce, maintain, negotiate, resist, and transform values and meanings (see Moisander & Valtonen, 2006; cf. Venkatesh & Peñalosa, 2006).

Among the different services industries, it is in the tourism sector where extended markets manifest themselves through the prevailing overlap between consumption, production and living conditions. Indeed, in tourism the local culture, consumption culture and production culture are not only intertwined but almost inseparable (see Figure 1). Figure 1 emphasizes the fading borderlines between production culture, consumption culture and local culture, and the changing roles of the actors. It is important to note that the cultures are constantly on the move and thus, living ones. As a specific characteristic of the global multicultural world, local culture fuses with non-local and global. The figure also provides an illustration of the particularity of region-wide, extended products, the multi-actor cultural construction of the markets, and the conditions for product development found in the tourism context.

Figure 1
THE INTERTWINED NATURE OF TOURISM PRODUCTS



While a multi-actor marketing approach seems to be crucial for the sound development of a tourism region, there is an urgent need to recognize that tourism products entail inconsistent on-going processes rather than rational finite ones as it is assumed in traditional product development models. Indeed, it is difficult to capture the fluidity entailed in tourism products and thus in product development with fixed dualism, and static conceptions of culture. Therefore, firms need to move away from trying to exercise control over stakeholders towards understanding the socio-cultural processes in which different marketplace actors become involved.

Taking an extended market approach to tourism regions may improve not only the ability of tourism firms to conceptualize what they actually do but also to position themselves within the marketplace they help to produce (see Venkatesh & Peñaloza, 2006). These insights are valuable in defining what knowledge and information should be considered for the development of tourism products. At the same time, the product development process becomes the best suitable context for studying the interplay between production, consumption, and local cultures. It gives an opportunity for reflecting on the contribution of the product to the creation of value and meaning within a particular marketplace. Product development becomes a lively process that allows marketers to (re)construct the marketplace they inhabit through conjoint interactions with other marketplace actors.

It should, however, be pointed out that the different marketplace cultures cannot be studied in isolation. For instance, various marketplace actors (e.g. several providers and even the customer themselves) may not only take part in the creation of a tourism product but they also may participate in it by taking different cultural perspectives. In point of fact, marketplace actors are used to play different roles rather than a predefined one. Moreover, as the spatial dimension forms a unique setting for producing and consuming tourism, the key unit of analysis in tourism is therefore the region. It is where tourism takes place and where different business and non-business actors finally meet each other. Although the tourists are directly connected to firms and to different cultural institutions, and even governmental organizations, they experience the region in its wholeness, as a unified product which is based on the amalgam of consumption, production and local cultures.

**Discussion
and directions
for future debate:
From firms to
extended markets**

This interdisciplinary work builds upon cultural approach to marketing and critical tourism studies. Especially social constructionist and poststructuralist stances create a framework to understanding tourism markets as multi-actor cultural construction. Tourism products are comprised of the seamless combination of local culture, consumption culture, and production culture that are inseparably connected.

Our aim has been to illustrate the dilemmas encountered in traditional way of thinking product development and, thus, to weigh the value of theorization and reconceptualization of markets in understanding tourism regions and the regional range of tourism products. We have not only applied the theorization of the markets to tourism as such, as it has been introduced in cultural consumer research, but tried to fine-tune it in the light of tourism context. The article presents an extended market approach that considers tourism regions as the constitution of various marketplaces or marketspaces, in which doers, a set of institutions and actors are located. Marketers, consumers and other marketplace actors take part into a joint cultural production process in which they constantly produce, maintain, negotiate, resist, and transform values and meanings. A tourism region is a space where, not only marketing-related

transactions and activities take place but also social reality is produced. This gives a whole new socio-cultural light to tourism dynamics, and especially to tourism product development.

Instead of a strictly company-centered, managerial perspective, tourism regions should find ways to develop more participative and integrative practices in business and destination development and planning in which different stakeholders may not only be considered but also have the opportunity to negotiate, resist and reflect their actions and impacts on the production and consumption of the destination. Hence, it is not only about engaging and managing the stakeholders but about going beyond the predominant study of customers and firms to include other market actors (e.g. local people, local authorities, interest groups, etc.). Particularly, in global, multicultural marketplaces the blurring roles of the producers and consumers and the fading dualism of production and consumption stress the request to move away from trying to exercise control over stakeholders towards understanding the socio-cultural processes in and through which different communal beings become involved. From a marketing perspective, tourism regions offer a suitable context for the study of markets as theatrical stages and, thus, for additional groundwork to understanding of the markets. In fact, tourism regions are stages on which socio-cultural meaning is shaped as marketplace actors engage not only in consumption but also in socio-cultural and political agendas.

When taken to a company-level, especially to micro-sized enterprises, the extended market approach probably meets some questions of romanticism vs. realism. If not the whole idea of the holistic multi-actor involvement in tourism product development, small business managers may find the article helpful in creating a new mindset in terms of region-based product. A single product of a specific company should be considered as a part of a bigger picture. Furthermore, the regional range of the product is a result of complex production and consumption of meanings between various actors, but still, not more than a process into which the customers, locals and workers immerse into. This change of setting creates potentials in a multicultural, communal and globalized environment as it allows the market actors to transfer knowledge into products and to keep up with cultural and ideological changes.

This article is intended to encourage further research in these directions rather than provide definitive conclusions. Future studies of complex, culturally constructed marketplaces, like tourism regions, may offer new insights in a number of areas of inquiry. For example, they may contribute to a broadened conceptualization of tourism products that offers a more macro-view of the firm relationships and the interactions between the production, consumption and local culture that prevail in the tourism marketplace. In addition, there is a need for empirical work that contributes to portraying not only the role of the firm but also other marketplace actors as producers and reproducers of meaning. In studying the complex intersections between the three marketplace cultures, we may develop a richer understanding of the nature of tourism products and the process in which they are (re)created. Tourism may help to uncover the black box of market dynamics, and to create new insights to the interplay of market actors and market activities. By adopting the extended market approach the status of local communities can be upgraded. Since, the community is understood as a solid part of the marketplace. Tourism as a phenomenon and tourism studies as an interdisciplinary field of science helps to understand diverse phenomena that go beyond tourism. Traditionally modern models and theories based on manufacturing industries and large hierarchical enterprises have been imported to the field of tourism. It is important to find ways to transform the relationship to a more reciprocal one between tourism and other studies.

Acknowledgements

We would like to thank Dr Candice Harris, Acting Professor Anu Valtonen, and Acting Professor Soile Veijola who have given their time and effort to help us in our work. An earlier version of the paper has been presented at the 2nd International CTS Conference in Split, Croatia, in 2007. We are grateful for the two anonymous blind-reviewers from whom we received both encouraging words and concrete suggestions for revision to our full-paper. Many thanks also for the two anonymous blind-reviewers of this journal for their insightful comments in finalizing the article. The work of the authors has been supported by the Academy of Finland (Tourism as Work research project) and the Finnish Foundation for Economic Education (Global Marketplace Cultures research project).

Note:

¹ Corresponding author. The authors are presented here in an alphabetical order. All authors have equally contributed to the article.

References

- Aas, C., Ladkin, A., & Fletcher, J. (2005). Stakeholder Collaboration and Heritage Management. *Annals of Tourism Research*, 32(1), 28-48.
- Ahola, E.-K. (2007). *Producing Experience in Marketplace Encounters: A Study of Consumption Experiences in Art Exhibitions and Trade Fairs*. Helsinki School of Economics. Acta Universitatis Oeconomicae Helsingiensis A-299. An Academic Dissertation. Helsinki.
- Alam, I., & Perry, C. (2002). A Customer-oriented New Service Development Process. *Journal of Services Marketing*, 16(6), 515-534.
- Ang, E. (1990). *Upgrading the Professionalism of Tourist Guides*. Proceedings from the Travel Educators Forum. PATA Conference, Singapore, 11-14 July. Singapore: PATA.
- Arnould, E. J., Price, L., & Tierny, P. (1998). Communicative Staging of the Wilderness Servicescape. *The Service Industries Journal*, 18(July), 90-115.
- Ateljević, I., Pritchard A., & Morgan N. (Eds.) (2007). *The Critical Turn in Tourism Studies. Innovative Research Methodologies* (Advances in Tourism Research Series). Amsterdam: Elsevier Science.
- Ateljević, I., & Doorne, S. (2003). Culture, Economy and Tourism Commodities. *Tourist Studies*, 3(2), 123-141.
- Ateljević, I. (2000). Circuits of Tourism. Stepping beyond the 'Production/Consumption' Dichotomy. *Tourism Geographies*, 2(4), 369-388.
- Ateljević, I., & Doorne, S. (2000). 'Staying Within the Fence': Lifestyle Entrepreneurship in Tourism. *Journal of Sustainable Tourism*, 8(5), 378-392.
- Bagozzi, R. P. (1986). *Principles of Marketing Management*. Chicago: Science Research Associates.
- Bærenholdt, J. O., Haldrup, M., Larsen, J., & Urry, J. (2004). *Performing Tourist Places* (New Directions in Tourism Analysis Series). Aldershot: Ashgate Publishing Limited.
- Bramwell, B., & Sharman, A. (1999). Collaboration in Local Tourism Policymaking. *Annals of Tourism Research*, 26(2), 392-415.
- Britton, S. (1991). Tourism, Capital, and Place: Towards a Critical Geography of Tourism. *Environment and Planning D: Society and Space*, 9, 451-478.
- Brown, S. (1993). Postmodern Marketing? *European Journal of Marketing*, 27(4), 19-34.
- Buhalis, D. (2000). Marketing the Competitive Destination of the Future. *Tourism Management*, 21(1), 97-116
- Buzell, R. D. (1999). Market Functions and Market Evolution. *Journal of Marketing*, 63, 61-63.
- Cova, B. (1997). Community and Consumption: Towards a Definition of the Linking Value of Product or Services. *European Journal of Marketing*, 31(3/4), 297-316.
- Cukier, J. (1998). Tourism Employment and Shifts in the Determination of Social Status in Bali: the Case of the "Guide". In G. Ringer (Ed.), *Destinations. Cultural Landscapes of Tourism* (pp. 63-79). (Routledge Advances in Tourism, 3). London: Routledge.
- Deighton, J. A. (1992). The Consumption of Performance. *Journal of Consumer Research*, 19(December), 362-72.
- Edensor, T. (2001). Performing Tourism, Staging Tourism. (Re)producing Tourist Space and Practice. *Tourist Studies*, 1(1), 59-81.

- Edvardsson, B., Gustafsson, A., Johnson, M. D., & Sandén, B. (2000). *New Service Development and Innovation in the New Economy*. Studentlitteratur. Lund.
- Fadeeva, Z. (2003). *Exploring Cross-Sectoral Collaboration for Sustainable Development. A Case of Tourism*. IIIIEE DISSERTATIONS 2003:1. The International Institute for Industrial Environmental Economics. Lund University.
- Firat, A. F. (1990). The Consumer in Postmodernity. In Holman, R. H. & Solomon, M. R. (Eds.), *Advances in Consumer Research* (pp. 70-76). XVII. Provo: Association for Consumer Research.
- Firat, A. F., & Dholakia, N. (2006). Theoretical and Philosophical Implications of Postmodern Debates: Some Challenges to Modern Marketing. *Marketing Theory*, 6(2), 123-162.
- Firat, A. F., Dholakia, N., & Venkatesh, A. (1995). Marketing in a Postmodern World. *European Journal of Marketing*, 29(1), 40-56.
- Firat, A. F., & Schultz II, C. J. (1997). From Segmentation to Fragmentation: Markets and Marketing Strategy in the Postmodern Era. *European Journal of Marketing*, 31(3/4), 183-207.
- Firat, A. F., & Venkatesh, A. (1995). Liberatory Postmodernism and the Reenchantment of Consumption. *Journal of Consumer Research*, 22, 239-267.
- Firat, A. F., & Venkatesh, A. (1993). Postmodernity: the Age of Marketing. *International Journal of Research in Marketing*, 10(3), 227-249.
- Freeman, E. R. (1984). *Strategic Management: A Stakeholder Approach*. Pitman Series in Business and Public Policy. Boston: Pitman.
- Fry, M.-L. & Polonsky, M. J. (2004). Examining the Unintended Consequences of Marketing. *Journal of Business Research*, 57, 1303-1306.
- du Gay, P., Hall, S., Jones, L., Mackay, H. & Negus K. (1997). *Doing Cultural Studies. The Story of Sony Walkman*. London: Sage Publications.
- Greenley, G. E. & Foxall, G. R. (1998). External Moderation of Associations among Stakeholder Orientations and Company Performance. *International Journal of Research Marketing*, 15, 51-69.
- Grefe, X. (1994). Is Rural Tourism a Lever for Economic and Social Development? In B. Bramwell, & B. Lane (Eds.), *Rural Tourism and Sustainable Rural Development* (pp. 22-40). Clevedon: Channel View Publications.
- Grönroos, C. (2006). What Can a Service Logic Offer Marketing Theory. In R. F. Lusch, & S. L. Vargo (Eds.), *The Service-Dominant Logic of Marketing: Dialog, Debate, and Directions* (pp. 354-364). Armonk: M. E. Sharpe Armonk.
- Grönroos, C. (1993). *From Marketing Mix to Relationship Marketing: Toward a Paradigm Shift in Marketing*. Swedish School of Economics. Helsinki.
- Gummesson, E. (2004). *Many-to-Many Marketing : från one-to-one till many-to-many i nätverksekonomis marknadsföring: att se marknadsföringen genom nätverksglasögon*. Malmö: Liber Ekonomi. [In Swedish.]
- Haahti, A., & Komppula, R. (2006). Experience Design in Tourism. In D. Buhalis, & C. Costa (Eds.), *Tourism Business Frontiers. Consumers, Products and Industry* (pp. 101-110). Oxford: Elsevier Butterworth-Heinemann.
- Hall, C. M. (1999). Rethinking Collaboration and Partnership: A Public Policy Perspective. *Journal of Sustainable Tourism*, 7(3&4), 274-289.
- Hall, C. M. (1994). *Tourism and Politics, Policy, Power and Place*. Chichester: Wiley.
- Heath, E., & Wall, G. (1992). *Marketing Tourism Destinations. A Strategic Planning Approach*. New York: John Wiley & Sons, Inc..
- Higgins-Desbiolles, F. (2006). More than an "Industry": The Forgotten Power of Tourism as a Social Force. *Tourism Management*, 27(6), 1192-1208.
- Holden, A. (2003). In Need of New Environmental Ethics for Tourism? *Annals of Tourism Research*, 30(1), 94-108.
- Hunt, S. D. (1991). *Modern Marketing Theory: Critical Issues in the Philosophy of Science*. Cincinnati: Southwestern.
- Inda, J. X., & Rosaldo, R. (2002). Introduction – World in Motion. In J. X. Inda, & R. Rosaldo (Eds.), *The Anthropology of Globalization. A Reader* (pp. 1-34). Oxford: Blackwell Publishers Ltd.
- Ioannides, D., & Debbage, K. G. (Eds.) (1998). *The Economic Geography of the Tourist Industry. A Supply-side Analysis*. London: Routledge.
- Jamal, T. B., & Getz, D. (1995). Collaboration Theory and Community Tourism Planning. *Annals of Tourism Research*, 22(1), 186-204.

- Jamal, T., & Jamroz, U. (2006). Collaborative Networks and Partnerships for Integrated Destination Management. In D. Buhalis, & C. Costa (Eds.), *Tourism Management Dynamics. Trends, Management and Tools* (pp. 164-172). Oxford: Elsevier Butterworth-Heinemann.
- Jamal, T., & Kim, H. (2005). Bridging the Interdisciplinary Divide. Towards an Integrated Framework for Heritage Tourism Research. *Tourist Studies*, 5(1), 55-83.
- Johne, A., & Storey, C. (1998). New Service Development: a Review of the Literature and Annotated Bibliography. *European Journal of Marketing*, 32(3/4), 184-251.
- Kelly, D., & Storey, C. (2000). New Service Development: Initiation Strategies. *International Journal of Service Industry Management*, 11(1), 45-62.
- Kohli, A. K., Jaworski, B. J., & Kumar, A. (1993). MARKOR: A Measure of Market Orientation. *Journal of Marketing Research*, 30(4), 467-477.
- Komppula, R. (2001) *New Product Development in Tourism Companies – Case Studies on Nature Based Activity Operators*. Paper presented at the 10th Nordic Conference in Tourism Research, 19-20 November 2001, Vaasa, Finland.
- Kotler, P. (2003). *Marketing Management* (11th ed.). Upper Sadler River: Prentice Hall.
- Kotler, P. (1988). *Marketing Management: Analysis, Planning and Control* (6th ed.). New Jersey: Pearson Education.
- Kotler, P., & Armstrong, G. (1991). *Principles of Marketing*. (5th ed.). Englewood Cliffs: Prentice-Hall.
- Kylänen, M. (2005). *Product Development and Interaction between Actors in Cluster – A Case Study on Concealed Dynamics of Activity Programme Service Cluster of Pyhä-Luosto Destination*. Faculty of Social Sciences. University of Lapland. An Unpublished Licentiate Thesis. [In Finnish.]
- Ladkin, A., & Martinez Bertramini, A. (2002). Collaborative Tourism Planning: A Case Study of Cusco, Peru. *Current Issues in Tourism*, 5(2), 71-93.
- Larsen, J., Urry, J., & Axhausen, K. W. (2007). Networks and tourism. Mobile Social Life. *Annals of Tourism Research*, 34(1), 244-262.
- Lumsdon, L. (1997). *Tourism Marketing*. London: International Thomson Business Press.
- MacCannell, D. (1976/1999). *The Tourist. A New Theory of the Leisure Class*. London: University of California Press.
- Maignan, I., Ferrell, O. C., & Ferrell L. (2005). A Stakeholder Model for Implementing Social Responsibility in Marketing. *European Journal of Marketing*, 39(9/10), 956-977.
- Massey, C., Harris, C., & Lewis, K. (2004). *Death, Divorce & Disease: Personal Life Event & the Business Life-Cycle*. A paper presented at the RENT XVIII 2004 Managing Complexity and Change in SMEs. Conference Proceedings. EIASM. Copenhagen.
- McCracken, G. (1988). *Culture and Consumption: New Approaches to the Symbolic Character of Consumer Goods and Activities*. Bloomington: Indiana University Press.
- Michael, E. (2007). *Micro-Clusters and Networks: The Growth of Tourism* (Advances in Tourism Research Series). Oxford: Elsevier.
- Middleton, V. T. C. (1994). *Marketing in Travel and Tourism* (2nd ed.). Oxford: Butterworth-Heinemann.
- Moisander, J. & Valtonen, A. (2006). *Qualitative Marketing Research: A Cultural Approach*. London: Sage.
- Murphy, P. E. (1988). Community Driven Tourism Planning. *Tourism Management*, 9(2), 96-104.
- Murphy, P., Pritchard, M. P., & Smith, B. (2000). The Destination Product and Its Impact on Traveller Perceptions. *Tourism Management*, 21(1), 43-52.
- Peñaloza, L. (2001). Consuming the American West: Animating Cultural Meanings at a Western Stock Show and Rodeo. *Journal of Consumer Research*, 28(3), 369-398.
- Peñaloza, L., & Venkatesh, A. (2006). Further Evolving the New Dominant Logic of Marketing: from Services to the Social Construction of Markets. *Marketing Theory*, 6(3), 299-316.
- Pender, L. (1999). *Marketing Management for Travel and Tourism*. Cheltenham: Stanley Thorners Publishers Ltd.
- Perkins, H. C., & Thorns, D. C. (2001). Gazing or Performing? Reflections on Urry's Tourist Gaze in the Context of Contemporary Experience in the Antipodes. *International Sociology*, 16(2), 185-204.
- Pritchard, A., & Morgan, N. (2006). Hotel Babylon? Exploring Hotels as Liminal Sites of Transition and Transgression. *Tourism Management*, 27(5), 762-772.
- Pritchard, A., & Morgan, N. (2001.) Culture, Identity and Tourism Representation: Marketing Cymru or Wales? *Tourism Management*, 22(2), 167-179.
- Ringer, G. (Ed.) (1998). *Destinations. Cultural Landscapes of Tourism* (Routledge Advances in Tourism, 3). London: Routledge.

- Roberts, L., & Simpson, F. (1999). Developing Partnerships Approaches to Tourism in Central and Eastern Europe. *Journal of Sustainable Tourism*, 7, 331-355.
- Robson, J., & Robson, I. (1996). From Shareholders to Stakeholders: Critical Issues for Tourism Marketers. *Tourism Management*, 17(7), 533-540.
- Rojek, C., & Urry, J. (Eds.) (1997). *Touring Cultures. Transformations of Travel and Theory*. London: Routledge.
- Saarinen, J. (2006). Traditions of Sustainability in Tourism Studies. *Annals of Tourism Research*, 33(4), 1121-1140.
- Saarinen, J. (2001). *The Transformation of a Tourist Destination. Theory and Case Studies on the Production of Local Geographies in Tourism in Finnish Lapland*. Nordia (Geographical Publications, 30, 1). Oulu: Oulu University Press.
- Sautter, E. T., & Leisen, B. (1999). Managing Stakeholders: a Tourism Planning Model. *Annals of Tourism Research*, 26(2), 312-328.
- Shaw, E. H., & Jones, D. G. B. (2005). A History of Schools of Marketing Thought. *Marketing Theory*, 5(3), 239-281.
- Shaw, G., & Williams, A. (2004). *Tourism and Tourism Spaces*. London: Sage Publications.
- Shaw, G., & Williams, A. (1994). *Critical Issues in Tourism: a Geographical Perspective*. Oxford: Blackwell.
- Sheehan, L. R., & Ritchie, B. J. R. (2005). Destination Stakeholders: Exploring Identity and Salience. *Annals of Tourism Research*, 32(3), 711-734.
- Slater, S. F., & Narver, J. C. (1995). Market Orientation and the Learning Organization. *Journal of Marketing*, 59(3), 63-74.
- Smith, S. L. J. (1994). The Tourism Product. *Annals of Tourism Research*, 21(3), 582-595.
- Stamboulis, Y., & Skayannis, P. (2003). Innovation Strategies and Technology for Experience-Based Tourism. *Tourism Management* 24(1), 35-43.
- Stronza, A., & Jamal, T. (2007). "Third Way" of Dwelling in the Peruvian Amazon: De-Commodifying the Ecotourism Paradigm? A Conference paper presented at the 2nd International Critical Tourism Studies Conference: The Critical Turn in Tourism Studies: Promoting an Academy of Hope? in Split, Croatia, 20-23 June 2007.
- Urry, J. (1990). *The Tourist Gaze*. London: Sage Publications.
- Vargo, S. L., & Lusch R. F. (2004). Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68, 1-17.
- Veijola, S., & Jokinen, E. (1994). The Body in Tourism. *Theory, Culture & Society*, 11(3), 125-151.
- Venkatesh, A. (1999). Postmodernism Perspectives for Macromarketing: An Inquiry into the Global Information and Sign Economy. *Journal of Macromarketing*, 19(12), 1-28.
- Venkatesh, A., & Peñaloza, L. (2006). From Marketing to the Market: A Call for a Paradigm Shift. In J. Sheth, & R. Sisodia (Eds.), *Does Marketing Need a Reform: Fresh Perspectives on the Future* (pp. 134-150). Armonk: M. E. Sharpe Publishers.

Submitted: 09/07/2007

Accepted: 11/14/2007