

## **The Importance of Networks for Innovation in Sustainable Tourism**

*Jack Carlsen, Janne J. Liburd and Deborah Edwards*

### **Abstract**

This paper highlights the importance of new and established networks that underpin the innovation processes in sustainable tourism. It will draw on published literature as well as case studies to describe the various types of networks that have developed as an integral part of the innovation process (Carlsen et al, 2008). Innovation rarely occurs in isolation. Invariably, collaboration between like-minded individuals or agencies is essential in order to transform an idea or opportunity into a reality. In some cases, the links are not always intuitive or apparent and may come about through serendipity rather than strategy. In other cases, the formation of new networks gives rise to further innovation, creating a virtuous circle of process, product or service innovation. Established networks, such as those developed between government, industry and universities, are also a substantial source of innovation through research, knowledge development and dissemination.

True innovation in tourism businesses is nebulous and often driven by external forces such as changing customer needs, demographics, technology, government policy, environmental conditions, social imperatives or the supplier chain. Innovation in tourism can occur at different operational and sectoral levels and apply in a range of geographic locations. It can take the form of product, process, management or institutional innovations (Hjalager, 1996) and may be a disruptive or an incremental process (Schaper and Volery, 2007).

Innovation “remains fundamentally an application of knowledge” (Schaper and Volery 2007:64), which is best achieved through networks that serve as both repositories and generators of innovative ideas and information. There has since been a proliferation of product, process, managerial and institutional innovations that have embraced sustainability and this paper describes and analyses just a few examples of these. Hjalager (1996) indicates that networks are an integral part of the process of innovation, which often involves ‘redefinitions of interrelationships between actors’ (Hjalager, 1996, p. 202), although these relationships may be cooperative or confrontational, both still stimulate innovation (Tremblay, 2002). Hausman (2005) also finds that ‘ideological innovations, such as new management practices’ involve new partnerships as well as new ideas. Laing *et al* suggest that partnerships provide a means for the diffusion of innovations (Laing et al, forthcoming). Liburd and Hergesell (2007) recognise the importance of training,

education and employee retention and succession to improve learning and innovation for sustainable tourism in the European North Sea Region.

People, as customers or operators, are at the core of innovation in tourism. Hence networks are critical and the social and cultural environment has to be supportive of innovative ideas and opportunities if they are to be realized. To shed light on this conversation cross-case analysis (Patton 1990) was applied to eight case studies to compare and contrast the different types and contexts of innovation and for an integrated overview of the network drivers, processes and barriers for innovation.

### **Case Study Method**

Cases were drawn from the publication *Innovation for Sustainable Tourism* (Carlsen et al, 2008) that used the following broad questions to define the purpose and structure of each case as well as facilitate cross-case analysis:

1. Why do organisations innovate?
2. What are the key features and drivers of innovation within organisations?
3. What are the internal and external barriers to innovation that organisations face?
4. How do organisations innovate? What processes are associated with innovation?
5. How important are networks for innovation?

Cross-case analysis is a means of grouping together common responses to interviews as well as analysing different perspectives on central issues (Patton 1990; Getz et al, 2004). Cross-case analysis begins with a written case for each unit studied then a grouping of responses together according to the key themes and sub-themes. In this paper, the key theme analysed is networks for innovation in sustainable tourism. The convergent and divergent issues that emerged in each relevant case study are integrated within a descriptive analytical framework that provides the basis for comparison and contrast.

Case study contributors were sourced from the BEST Education Network members and associates, who were encouraged to offer descriptions of innovation that would be of interest to an international audience. The resulting case studies could be considered as a convenience sample, that is, a sample design based on information gathered from members of a population who are conveniently accessible to the researcher (Jennings, 2001). The review process selected ten cases (four from USA, two from Europe, and one each from Australia, Ghana, Sri Lanka and

China). Of these, eight were considered to exemplify the importance of networks for innovation in sustainable tourism.

### ***Findings***

In all cases, networks were found to be critical for the implementation of innovation, but were rarely the catalysts for innovation. Knowledge and learning networks were formed to improve the flow of communication and the participation of firms in the innovation process. Customer, supplier and professional networks were formed to find solutions for local community problems, strengthen and protect industry activities, improve environmental performance and overcome barriers to innovation and product development. Diffusion networks, which included suppliers and employees, were created to disseminate and celebrate innovate initiatives in sustainable tourism practices. Socio/cultural support networks that comprise different groups in society, such as agricultural, native, educational and scientific groups transpired both formally and organically to assist firms to overcome internal and external barriers to innovation. Important elements that underpin these networks were trust, a willingness to work openly with perceived 'competitors', sharing knowledge and information, working collaboratively and engaging in regular communication,

In some cases the formation of networks *was* the innovation, indicating that the rate of innovation in sustainable tourism is strongly correlated with the tourism sector's capability to develop and sustain new networks. This situation presents both an opportunity and a constraint to innovation in sustainable tourism. The Internet and new information communication technology has facilitated the formation of business and social networks on an unprecedented scale and frequency. Many of these can support innovation networks and make it possible to rely on the participation and feedback of users and consumers. Chesbrough (2003) and von Hippel (2005) state that innovation resources are not restricted and should not be restricted to local and close networks. They provide many examples of how secrecy in isolated R&D structures is not beneficial for innovation processes in rapidly changing environments. What is opening up is a global community for innovation rather than spatially restricted communities (Liburd and Hjalager, 2010). However, these new networks still need time to establish trust and functionality between the parties involved.

### ***Summary***

These case studies indicate the important role of networking in realising innovation for sustainable tourism. Having a new idea will not of its own yield results networks are required for an innovation's

development, implementation, diffusion and ongoing success. Networks are anchoring points by which individuals, firms, associations and other entities can interact for beneficial advantages. The absence of an established network that supports research, development and dissemination of innovation in the sustainable tourism domain, could represent a major constraint to future innovation. Understanding the dynamics of networks can help to overcome these constraints.

## **References**

- Carlsen, J., Liburd, J.J., Edwards, D., & Forde, P. (2008). *Innovation for sustainable tourism: International case studies*. Sydney, Australia: University of Technology.
- Chesbrough, H. (2003). *Open innovation. The new imperative for creating and profiting from technology*. Boston: Harvard Business School Press.
- von Hippel, E. (2005). *Democratizing innovation*. Cambridge, MA: MIT Press.
- Hjalager, A-M (1996) Tourism and the Environment: The Innovation Connection, *Journal of Sustainable Tourism*, 4(4), 201-218.
- Laing, J., Wegner, A., Moore, S., Weiler, B., Pfueller, S., Lee, D., Macbeth, J., Croy, G. and Lockwood, M (forthcoming) Developing effective partnerships for facilitating sustainable protected area tourism: Literature review. Sustainable Tourism CRC, Gold Coast.
- Liburd, J.J. and Hjalager, A-M (2010) Changing Approaches to Education, Innovation and Research – Student experiences *Tourism Journal of Hospitality and Tourism Management* Vol 17, 12-20.
- Liburd, J. and Hergesell, A. (2007) Learning as Prerequisite for Innovations in Tourism - Sustainable Tourism Development in the North Sea Region. In: Liburd, J. and Hergesell, A. (Eds.) *Innovations for Sustainable Tourism. Conference proceedings of BEST EN Think Tank VII*, 21-24 June 2007, Flagstaff, Arizona, USA, University of Technology Sydney, Sydney, Australia, 111-116.
- Patton, M. Q. (1990) *Qualitative Evaluation and Research Methods*. Sage Publications, California.
- Schaper, M. and Volery, T. (2007) *Entrepreneurship and Small Business*. 2nd Pacific Rim Edition. Wiley, Australia.
- Tremblay, P. (2000) An Evolutionary Interpretation of the Role of Collaborative Partnerships in Sustainable Tourism. In: Bramwell, B. and Lane, B. (Eds.) *Tourism Collaboration and Partnerships: Politics, Practice and Sustainability*. Channel View, Clevedon, 314-332.
- Trott, P. (1998) *Innovation management and new product development*. FT Management, London.