

# Aspects of Ecosystem Approach in Governing a Tourism Destination

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**Abstract:** This theoretical study offers an extensive exploration of the ecosystem approach to tourism destination management. Ecosystems have gained prominence in contemporary discourse across various domains, including business and the academic world. The study examines tourism destinations through the lens of a business ecosystem, shedding light on the intricate interplay of elements within such ecosystems. For this purpose, first, the concept of a business ecosystem is defined and delimited, laying the foundation for its application to the unique context of tourism destinations.

Ecosystems, both in biology and in business, are complex and spontaneous structures, which raises profound questions about the feasibility of managing an ecosystem, the responsible entities, and the methods entailed. This paper argues that rather than a traditional management approach, it is plausible to adopt a governance perspective when dealing with the tourism destination ecosystem. By synthesizing existing bibliographical data on the characteristics of the ecosystem, the roles and functions of actors in it, as well as unique attributes of tourism enriching the understanding of the ecosystem approach, the research concludes on the important aspects that could be used for successful governance.

This study serves as the initial phase of a broader research endeavor, which overarching goal is to contribute to the socio-economic understanding of tourism management, casting it through the prism of business ecosystems by expanding on these foundational insights and conducting further empirical investigations on particular types of tourism.

**Keywords:** Tourism Destination, Destination Management, Business Ecosystem, Ecosystem Approach, Business Ecosystem Governance

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## 1. Introduction

The relevance of the study is determined by the growing use of ecosystem concepts in management sciences, and the need for specific methods and tools for tourism development. The concept of ecosystem, borrowed from natural science, in business serves for the complex relationships - partly spontaneous and informal - between operators to be realized. One relevant area for an ecosystem approach in management is tourism, which is a fragmented, multilateral industry proven to be dependent on multiple non-tourism operators and factors, most recently during the COVID-19 pandemic (Milwood & Crick, 2021).

The present work attempts at answering the following questions:

- Can the tourism business ecosystem be managed?
- Which aspects of the tourism ecosystem should be considered in the governing a tourism destination?

The article presents a brief statement of methodology, a chapter designated to the delimitation of relevant socio-economic ecosystem concepts, as well as one on reviewing ecosystem approach in tourism before making conclusions and discussing the application of results.

## 2. Methodology

The methodology used is literature analysis based on comprehensive search of academic literature from online databases and physical libraries. The key words of the search were "ecosystem", "business ecosystem", "tourism ecosystem", and the delimitation of relevant sources was made according to their applicability to the concept of destination. A snowball method was used to enrich the data by further examining the referenced sources of initially accessed articles. Essential characteristics were identified both for the business ecosystem and the tourism ecosystem, and the examined concepts were linked to other related concepts. Information was analyzed, and conclusions were made to aid the next phases of the ongoing research.

## 3. Socio-Economic Ecosystem Concepts

### 3.1 Definition and Delimitation of the Business Ecosystem

Moore (1993, 1996a) first mentioned the *business ecosystem* (BE), defining it as a "growth-oriented synergistic economic" community of "mutually supportive" "customers, suppliers, lead producers and other stakeholders", investors, owners, "relevant trade associations, standards bodies, labor unions, governmental and quasigovernmental institutions", "interacting with one another to produce goods and services" (Moore, 1998,

168), coming “together in a partially intentional, highly self-organizing, and even somewhat accidental manner” (Moore, 1998, 169). These agents “work in cooperation and competition” for a common goal, e.g., a new product or satisfaction of a customer's need, until they finally engage in the next round of innovation (Moore, 1993, 76).

Business science adopted the use of the biological ecosystem model to analyze business relationships and strategic decision-making (Iansiti & Levien, 2004a,b) in the state of significant change in competitive environment caused by rapid technological change, the rise of the information age, and globalization (Hoskisson et al., 1999) as the complexity of the business environment increases (Peltoniemi & Vuori, 2005).

Although Moore (1996a) justifies the BE by adding a new layer of agents beyond this of *business network*, BE is considered a type of business network with specific characteristics rather than a new organizational structure (Anggraeni, Den Hartigh & Zegveld, 2007), encompassing both production-side and user-side actors (Thomas & Autio, 2012).

The term BE should be distinguished from other concepts describing the economic community, parallel or only seemingly related: *cluster* (Porter, 1990), *value network* (Mariotti, 2002), *innovation network*, *industrial network* (Thomas & Autio, 2012), *supply chain* (Den Hartigh & Van Asseldonk 2004), *business ecology* (Townsend, 2006), *digital business ecosystem* (e.g., De Tommassi, 2005), *technological ecosystem* (e.g., Adomavicius et al., 2006), *social ecosystem* (Mitleton-Kelly, 2003), *innovation ecosystem* (Thomas & Autio, 2012), *entrepreneurial ecosystem* (e.g., Spigel, 2015), *industrial ecosystem*, *economy as an ecosystem* (Peltoniemi & Vuori, 2005).

A plethora of theoretical work exists concerning BE (Peltoniemi, 2004; Peltoniemi & Vuori, 2005; Peltoniemi, 2005a,b; Peltoniemi, Vuori & Laihonon, 2005; Vuori, 2005). Empirical studies, a quarter of a century after its coining, are still rare, mostly concerning information technology (Den Hartigh & Van Asseldonk, 2004; Basole, 2009; Iyer, Lee & Venkatraman, 2006) and only a few works focusing on tourism (Selen & Ogulin, 2015; Milwood & Crick, 2021; Henche, Salvaj & Cuesta-Valiño, 2020). In some studies, BE is simply used as a term replacing business network, but none of its characteristics is discussed (e.g., Quaadgras, 2005; Duy et al. 2020).

BE is also studied through the lens of *service-dominant logic* (Vargo & Lusch, 2008, 2016). This approach is excluded from the study because it takes away from its focus on the tourism destination.

### 3.2 Characteristics of the Business Ecosystem

The key characteristics of BE contribute to its understanding:

#### 3.2.1 Complexity

According to *complexity theory*, *complex adaptive systems* (CASs) are non-linear, adaptive, and co-evolving (Urry, 2005). A complex system can only be understood in its entirety, not as the sum of its constituent parts (Baggio 2008). BE meets the criteria of a complex system, because it contains many heterogeneous parts, relatively independent, but highly interconnected and interacting, which in a somewhat mystical process of self-organization acquire an order and awareness (Peltoniemi & Vuori, 2005). In CAS, the *butterfly effect* is observed, where small contributions or changes in initial conditions can lead to dramatic consequences and unexpected results (Lewin, 1993). The health of the BE can turn around extremely quickly (Iansiti & Levien, 2005b).

#### 3.2.2 Self-Organization

An ecosystem is born in a chaotic process (Peltoniemi & Vuori, 2005) whereby it is unknown how individual organisms congregate in a stable community (Kauffman, 1995), but this takes place partly under the influence of environmental factors, with each ecosystem responding to a particular challenge (Peltoniemi & Vuori, 2005). Self-organization lacks both an external and an internal leader, and the process occurs through local interactions (Mitleton-Kelly, 2003). Despite this absence, control and incentives can be provided to encourage the process rather than to impose parameters on the emerging structure (Peltoniemi & Vuori, 2005).

#### 3.2.3 Interconnectedness and Coevolution

Distinguishing individual ecosystems is difficult because there are no clear boundaries between communities and habitats (Den Hartigh & Van Asseldonk, 2004). More important are the connections within and between ecosystems (Mitleton-Kelly, 2003). The compatibility or complementarity of an ecosystem's products could be an indicator of an agent's participation in it (Den Hartigh & Van Asseldonk, 2004).

An ecosystem involves an abundance of agents depending on each other for effectiveness and survival, but the connections between them are loose. The interconnectedness is expressed in a shared fate: if the ecosystem is healthy, individuals in it thrive, but if not, each individual suffers the consequences. (Iansiti & Levien, 2004b.) If customers as agents of an ecosystem leave it, its value to producers and other customers decreases (Den Hartigh & Van Asseldonk, 2004). The interconnections in an ecosystem can also be social (March & Wilkinson, 2009). Efficiency is expressed in optimizing the resource usage, which in the BE equal the energy flowing through the biological ecosystem (Power & Jerjian, 2001). To survive, an ecosystem must interact with its surroundings, maintaining an energy input and output flow (Baggio, 2008).

The interconnectedness can also be explained through the distinction between influencers and influenced. Agents that cannot affect value, nor are affected by it, are irrelevant to the ecosystem and leave it. Those not affected by value but affecting it are necessary agents with resources needed for ecosystem's success. Those both influencing and influenced by value are interdependent agents, and agents influenced by value without resources to influence it are remote agents. (Hillebrand, 2022.)

#### 3.2.4 Dynamics

A BE is not static but goes through a lifecycle of birth, expansion, leadership, and self-renewal or death (Moore, 1993). Change indicates the necessary adaptation to the constantly changing conditions of the environment and a pronounced response to tension created by the different values and interests (Hillebrand, 2022).

*Resilience* is also characteristic to BEs, meaning flexible resistance. It represents "the autonomous reorganisation capabilities of a complex system, exercised to react to external impulses that may disrupt it" and refers to "the magnitude of a shock that the system can absorb while remaining within a given state" (Baggio, 2008, 18).

#### 3.2.5 Added Value

The existence of the BE is justified by the production of added value, which makes it "greater than its constituent parts" (Mitleton-Kelly, 2003, 40). Moore (1996) considers the value received by the customer, which consists in the *total experience*, including complementary offers. Complementary products, intended to be used together, bring greater value to the consumer than their separate use, and complementarity can be observed both at product and technology level (Den Hartigh & Van Asseldonk, 2004).

#### 3.2.6 Cocreation and Stakeholder Participation

A distinguishing feature of BEs is the participation of consumption parties. The paradigm of value creation today is changing towards creating personalized experiences for the customer, which requires involving them in creating this value through active dialogue and product's co-construction (Prahalad & Ramaswamy, 2004b). In addition to customers, the parties in the cocreation process of the BE can also be businesses and public organizations.

Regarding cooperation, the *stakeholder involvement* must also be considered. Stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, 46). Stakeholder involvement is widely used in development and has both supporters and opponents: some see it in a social aspect to promote active citizenship, avoid conflicts of interest, and improve community spirit; others criticize it as tokenism and seeming sustainability (Wanner & Prönstl-Haider, 2019).

#### 3.2.7 Coopetition

Companies', associations', public bodies', and other participants' roles depend on the situation and interaction between them. They can be partners, complementing each other's services, subcontractors, strengthening each other's resources, and competitors, sharing the market (Kylänen & Rusko, 2011). When cooperation and competition occur simultaneously, the observed phenomenon is *coopetition* (Luo, 2004) and the course of operation is non-linear (Selen & Ogulin, 2015).

### 3.3 Roles in the Business Ecosystem

In a BE there are multiple species that have unique functions, needs and desires, and unique contributions to the survival and growth of the system (Den Hartigh & Van Asseldonk, 2004).

Iansiti and Levien (2004b) the roles of *keystone*, *niche players*, *dominators*, and *hub landlords*. Keystones are rare ecosystem agents strongly influencing it. Most ecosystem agents constitute niche players producing complementary products. Dominators and hub landlords attract ecosystem resources to themselves, but do not always allow the fair distribution of the produced value. Hub landlords could be connections between participants offering a platform for realization of relationships (Den Hartig & Van Asseldonk, 2004).

The *shaper* attempts to build an ecosystem around his own product or technology at the cost of large-scale investments, and the *follower* follows the shaper. The *adapter* role is also possible, contractually developing complementary products, learning, and increasing its scale in the shadow of the dominator. (Hagel, 1996.) Another possible role is the *reserving the right to play*, who keeps its options open to obtain a strong position at a later stage (Den Hartig & Van Asseldonk, 2004). An organization which considers the connections between agents in addition to its own relations to them sees the potential for creating coalitions and can become a *broker* between unrelated agents (Hillebrand, 2022).

It is not clear how the described roles can be incorporated into the level structure of the ecosystem (core business, extended enterprise, business ecosystem) and what roles may be played by agents located closer to the periphery.

For institutional stability of the BE, a locus of coordination (LoC) must exist - a central agent that brings together all the participants and provides the necessary tools to generate and distribute value. Legitimacy of the ecosystem is ensured through the good reputation of the LoC. Institutional stability is also accomplished by the governance mechanisms that LoC utilizes to exercise power: values, norms, rules, agreements shared by participants as a framework for value cocreation and symbiosis and reducing the complexity of the ecosystem. (Thomas and Autio, 2012.)

### 3.4 Business Ecosystem Governance

BE governance is underrepresented in scientific literature. Consensus is not reached on whether a BE (or any network) can be managed – due to the lack of a clear hierarchy. Power and Jerjian (2001) point out that an individual business cannot be managed in isolation – instead the entire ecosystem has to be managed. The use of *governance* is preferred over *management* (Anggraeni, Den Hartig & Zegveld, 2007). Since governance is exercised by an organization without formal authority over other actors, it is about *influencing* (Anggraeni, Den Hartig & Zegveld, 2007) or *coordinating* (Thomas & Autio, 2012). This can also be seen as *leadership*. Leadership is "the process by which an individual influences a group of individuals to achieve a common goal" (Northouse, 2010, 3). In complexity theory, governance is influencing change through anticipation and adaptation (Vargas-Sánchez, 2017).

The purpose of ecosystem governance is to provide support to participants in value creation (Hillebrand, 2022). Moore (1996) notes that the most common ways of governance of the BE are community governance systems and quasi-democratic mechanisms. According to Iansiti and Levien (2004b), BEs are driven by their shared destiny. Vos (2006) describes BE governance as balancing between providing incentives for participants to work towards a common goal and preserving their freedom to achieve own goals and undertake initiative, so not to hinder their motivation; using steering mechanisms, ensuring that agents' actions will achieve the common goal, seeking to improve the ecosystem's ability to cope with external changes and the internal pace of innovation.

De Meyer and Williamson (2020, 8) use soft expression regarding governance, encouraging agents to "nurture" and "guide" the development of the BE. They discuss the *building* and *development* of ecosystems and not their creation as other authors express (Heikkilä & Kuivaniemi, 2012), which would contradict with ecosystems' spontaneous emergence. They conclude that sometimes organizations participate in ecosystem unconsciously; thus, following their recommendations for nurturing and guiding the development, the ecosystem actors can become its leaders by increasing their awareness of their own position and the deriving possibilities.

## 4. Ecosystem Approach in Tourism

### 4.1 Tourism Destination as a Business Ecosystem

Tourism is an experience economy, where the ability to offer successful experiences is crucial for tourism organizations struggling with changes in the industry, including new destinations, strong competition, introduction of new technologies, etc. (Buonincontri et al., 2017). Academic literature concludes that tourism is multi-layered and fragmented (Leiper, 1990; Wang & Fesenmaier, 2007; Palmer & Bejou, 1995; Scott, Baggio &

Cooper, 2009). It is often difficult to determine whether a firm is a tourism business because the demand for its services is divided between locals and tourists (Lassila, 2019). Moreover, these firms often work in multiple fields at the same time (Tunkkari-Eskelinen, 2014) or offer different services, e.g., seasonally. Tourism is not easily perceived because of the lack of traditional production functions, with tourism activities passing through several traditional economic sectors (Baggio, 2008).

Tourist organizations providing tourism services (tour operators, hotels, cruise lines, activity providers, destination management organizations (DMOs), etc.) must work together and in a network of agents, including customers, authorities, groups with special interests, local communities, co-suppliers (Hillebrand, 2022). Interconnectedness and cooperation are critical to the tourism product (Björk & Virtanen, 2005). Networking in tourism also benefits sustainability as the industry relies on a mass of small actors unable to achieve sustainability in isolation (Halme, 2001). Networking compensates for tourism's fragmentation, and cooperation is the reason for the existence of networks (Scott, Baggio & Cooper, 2009).

Selen & Ogulin (2015) state that the tourism destination operates in a unique combination of interrelated factors including authorities, visitors, and the natural environment. Tourism ecosystem is mentioned in the context of a destination led by a hotel, DMO or travel agency, and in the sense of the tourism digitalization (*smart tourism business ecosystem*), where a digital technology company acts as a central hub (Baggio & Chiappa, 2013). The ecosystem approach is particularly relevant in complex situations, e.g., in radical innovations or development of sustainable tourism (Hillebrand, 2022).

Tourist destination is defined as "a geographical location (city, region, resort, etc.), with a pattern of attractions, facilities and services, which tourists choose for a visit", "a complex agglomeration of diverse systems of interrelated economic, social and environmental phenomena and networks" (Baggio, 2008, 3, 16). Tourism experience in the destination is evaluated by the visitor holistically based on the experience of using multiple services provided by a network of organizations (Selen & Ogulin, 2015). Its representation depends not only on its internal characteristics, but on the network of interrelationships in it (March & Wilkinson, 2009). Although the destination is concentrated in a location, some agents contributing to the holistic tourist experience can be located elsewhere, without violating the principle of BE's independence from the location. A destination contains not only the tourism product, but a set of core competencies, leadership, knowledge flow, entrepreneurship (Brawn, 2005) that add to its value.

## 4.2 Agents of the Tourism Ecosystem

For the tourism ecosystem it is important to map which agents are interconnected and how (Selen & Ogulin, 2015). Agents of the tourism ecosystem are not only those involved directly in offering tourism services, but also those who provide general amenities (local authorities, businesses, and producers), tourists as cocreators, as well as the local community (March & Wilkinson, 2009). Because of its wide range of agents, tourism offers excellent opportunities for stakeholder involvement, which on its turn contributes to responsible development and sustainability (Wanner & Pröbstl-Haider, 2019).

The locals are tourism-specific stakeholders representing both a tourism resource and a reason for tourism development in a place (Richards & Hall, 2002). In many cases, however, residents have limited resources to affect value, and are overlooked as *remote agents* (Hillebrand, 2022).

Cooperation ensures the vital tasks and functions of destination management by enhancing destination's competitiveness (Zehrer et al., 2014). Cooperation is also complementing the competition inherent in business, achieving flexibility and efficiency, thus coopepetition is observed. Coopepetition is contextualized in tourism by the *collocation* of ecosystem agents as they, in a location-based market, are concentrated in this location, using its resources (nature, infrastructure) collectively and experiencing it holistically. The *synergy* of cooperation between otherwise competing organizations has varying dimensions depending on the destination. (Kylänen & Rusko, 2011.)

The economic agents of the tourism ecosystem also cooperate with consumers in conditions of cocreation. Tourists get to decide what to experience by interacting with destination's service providers and influence other tourists (Buonincontri et al., 2017). Interaction between service providers and visitors occurs both face-to-face and in technological environments (Milwood & Crick, 2021). Social media's development activates tourists for cocreation of tourism value (Giannopoulos et al., 2020), occurring before, during, and after the use of a service (Prahalad & Ramaswamy, 2004a). Technology plays a significant role in the cocreation of the tourism product, providing more information, transparency, dynamics, and user orientation (Buonincontri et al., 2017).

### 4.3 Destination's Ecosystemic Governance

According to its governance structure, the destination ecosystem can be either product-oriented, based on destination's resources, or market-oriented, based on tourism demand. By the presence or absence of dominance in the ecosystem, it can be governed with a community approach (without dominance) or a corporate approach (with a dominant organization). Market-oriented governance is linked to the corporate approach, and product orientation, focused on the balance between socio-cultural, economic, and environmental values and resources, to the community approach. (Selen & Ogulin, 2015.)

Community approach is common in tourism (Zehrer et al., 2014) because, especially in Europe, a large part of tourism businesses consists of small and medium-sized enterprises (SMEs) (Peters & Buhalis, 2013). In it, individual businesses operate in a decentralized manner and none of them has administrative authority or dominant ownership in the destination, which requires them to harmonize their goals, collaborate on common strategies, and pool their resources (Zehrer et al., 2014). Cooperative destination self-governance has many advocates, but destination agents are not always willing to cooperate, because of transaction costs and the presence or lack of social ties (Selen & Ogulin, 2015). In community approach, destination leadership is not formal management but rather influence. Tourism organizations possessing or developing key motivators for visiting the destination are potential leaders (Zehrer et al., 2014). Assuming that the common goal of destination agents is to attract tourists, this corresponds to the incentives for ecosystem participation proposed by Vos (2006). By providing motivators to visit the destination, an agent stimulates other agents to participate in the ecosystem, guaranteeing its leadership position. Other participants agree with the leadership for achieving destination's goals (Zehrer et al., 2014).

Another way to gain leadership is by orchestrating network connections (Cipollina & Presenza, 2010). The necessary skills to articulate common interests, create connections, coordinate negotiations, and promote cooperation are often attributed to a DMO (Halme, 2001).

*Public-private partnership* models, where attracting more tourists would bring financial benefits to the business, but also social benefits to the public sector, are receiving increasing attention in tourism management, and public sector has reasons to be interested in tourism promotion (March & Wilkinson, 2009).

Nowadays the discussion on *smart tourism* is intensifying (Bhuiyan et al., 2022; Collado-Agudo, Herrero-Crespo & San Martín-Gutierrez, 2023; Polese et al., 2018), imposed by globalization, digitalization, and hyper-connectedness of tourism industry (Vargas-Sánchez, 2017). Smart tourism is based on harnessing the potential of information technology advancement in favor of significant issues like sustainability, universal accessibility, and innovation, using intelligence as the ability to understand and solve problems with knowledge (Vargas-Sánchez, 2017). Destination intelligence goes beyond applying information technology, implying a comprehensive management innovation based on technology to strengthen destination's competitiveness for more efficient and sustainable resourcing and a better tourism experience (Collado-Agudo, Herrero-Crespo & San Martín-Gutierrez, 2023). Smart tourism is not a new type of tourism, but a way to steer tourism by analyzing vast volumes of structured and unstructured information (*big data*) via technologies (Vargas-Sánchez, 2017).

Smart tourism introduces the concepts of a *smart tourism destination* and a *smart tourism business ecosystem* (STBE), which again are not new organizational units, but a way of governing the destination as BE. Vargas-Sánchez (2017) proposes a model of STBE which closely resembles the original BE model of Moore, but divides agents into sub-sectors, also called external forces, determining destination's success. Subsectors, describing influences over the ecosystem, do not allocate agents categorically but rather emphasize the role of knowledge procured for effective ecosystem governance. Vargas-Sánchez (2017) compares the management of a "traditional" and smart tourist destinations, and by the derived characteristics of the smart destination (interconnectedness, co-creation, dynamics, complexity, non-linearity) he proposes an ecosystem approach. The new feature introduced is the abundance of information, received in real time, posing the problem of relevancy filtering (Vargas-Sánchez, 2017).

The need for centralized planning and coordination by DMOs is being questioned in the presence of modern information technologies (Vargas-Sánchez, 2017) as tourism is moving towards direct connections controlled by the client, where intermediaries are avoided, and information is widely available. DMOs could rather focus on the management of complexity and knowledge (Vargas-Sánchez, 2017). The smart innovation of a destination, however, usually requires the leadership of a public or semi-public institution (Collado-Agudo, Herrero-Crespo & San Martín-Gutierrez, 2023).

## 5. Conclusions and Discussion

The theoretical exploration indicates the lack of established methods and tools for BE governance in general or in tourism, however, some guidelines for this governance can be derived. Since literature on tourism BEs is yet insufficient, lacking context or examples of each general BE characteristic, conclusions are drawn separately regarding the BE generally and in tourism, reserving the right to revisit and relink the more general theory to findings of further tourism research.

### 5.1 Conclusions Regarding the Business Ecosystem Generally

Ecosystem is a widely used concept in management sciences. Considering it, one must carefully observe the context and objectives. The parallel development of multiple socio-economic ecosystem concepts can detract from the focus on the managed object.

When studying the BE, its exact boundaries are not important - they are dynamic and changeable. Crucial are the relationships between the participants and their roles.

A BE cannot be created - it arises spontaneously from the totality of relationships between individual agents and external impacts, but its development can be encouraged and supported. The BE cannot be managed in the traditional sense because of the lack of contained power and total control exercised. Its governance is practiced through "soft power": coordination, promotion of the desired activities and behaviors, inclusion and activation of agents in its composition, directing towards a common goal of value creation, accounting for the roles and available resources, building an environment of ecosystem-wide trust and respect for the ecosystem.

### 5.2 Conclusion Regarding the Tourism Business Ecosystem

Complex and fragmented by nature, tourism can be considered an ecosystem, and ecosystem approach can contribute to its effective governance. This can happen at a service and destination level (with this research focusing on the latter).

Specific agents of the tourism BE are tourists and locals. Tourists actively participate in the cocreation of tourism services, interacting with the tourism business before, during and after their visit, sometimes through information technology. Locals should not be neglected, as their involvement in ecosystem processes can contribute to its legitimacy, tourism's sustainability, as well as improvement of social engagement.

Coopetition justified by the collocation of tourism agents is observed, creating destination-specific synergistic effects.

There is no consensus on whether a DMO is needed or should the destination be more democratically, collectively governed. More significant is the presence of leadership to support agents in value creation. Communication skills, the ability to create connections, and networking are vital to leadership.

Technology plays an increasingly important role in tourism destination's governance, providing tools for processing and analyzing big data and distributing the intelligence widely among participants. This can release management resources from marketing focusing them on managing the complexity and knowledge.

### 5.3 Practical Application and Limitations

This study's limitations are in its theoretical nature. The significance of the ecosystem approach in tourism governance should be concretized by empirical studies on different tourism types in destinations, revealing distinctive examples of governance practices.

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