ARCHITECTURE IN TOURISM

Analysis of the interaction between architecture and tourism

Abstract
Objectives and contents – Summary

Concerning the tourism product development, one has to identify trends and elaborate their profitability. The topics of architecture, culture of construction and design are attracting the attention of the public. However, the innovative potential which lies within contemporary architecture is still hardly used in the tourism industry, although it could benefit the process of creating the corporate identity and market position of businesses, villages or destinations.

On the one hand, the tourism industry invests enormous amounts of money in construction and design, often without basic architectural reasoning. The function and design of concepts and the structural alignment of residential areas are not taken into account. What has to be kept in mind is that buildings constructed in such a manner do shape the landscapes and living environments of Austrian people, and, in addition, affect the tourist’s perception of such surroundings. Despite the close collaboration between the business areas of architecture and tourism, no goal setting or strategic development has taken place so far.

For the first time, this study collected data which relates tourism to architecture directly, in order to integrate those interfaces with conceptual, theoretical and scientific approaches. The aim is to identify and link economical and cultural demands regarding the Austrian tourism architecture.

The main goal is to work out an orientation guide for decision making units in tourism project development. The succession of a new generation in tourism businesses has brought about an increasing interest in innovation and new product design. The opportunity for competitive advantage through the implementation of the prior two has been discovered by the new generation. Creative and innovative entrepreneurs should be supported and motivated to use “architecture and design” as an economic success tool.

In the long term, the objective is to bring about sustainable tourism development as well as the international positioning of Austrian tourism through contemporary architecture and design. Historical buildings are still important signatures as well as highly valued objects; however, contemporary architecture has the ability to extend the cultural offers of Austria continuously.
Four central questions have been elaborated in the course of the study:

1. What are the experiences of entrepreneurs using contemporary architecture?
2. Through which factors does architecture attract visitors?
3. What are the points of interest for entrepreneurs who want to accomplish economic success through contemporary architecture? What can they do in order to be successful?
4. Which positive effects can be achieved through contemporary architecture?

Concerning the empirical part of the study:

In order to achieve knowledge about businesses which have applied contemporary architecture, a questionnaire survey has been sent out to more than 300 businesses. All those entrepreneurs have been working with high value architecture (partly new, extended or reconstructed buildings); more than 50% of the total sample returned the questionnaire. The fact that 49 businesses were visited personally permitted a closer insight and analysis which was complemented by structured interviews.

The most important results are:

ad 1. Success and profitability from the perspective of Austrian tourism entrepreneurs

Which experiences have entrepreneurs had through the use of contemporary architecture?

- The question “Do you think that the investment in contemporary architecture was economical?” was answered positively. **88 % of proprietors / licensees are convinced that contemporary architecture is profitable.**
- **51 % of the entrepreneurs confirmed that their economic key ratios are better than the industry average;** only 7% of the key ratios are situated below the industry average.
- The most important economic key ratios regarding extension of buildings and reconstruction of buildings by using contemporary architecture was positive. **On average a 25% augmentation of the relevant key ratio was pinpointed.**
- **80 % of the entrepreneurs regard contemporary architecture as an essential marketing factor.**
- **97 % of the interviewees confirmed the expectation that “contemporary architecture can be used as a vital marketing tool” and 95% approve the expectation “attractiveness for new customers”.**
ad. 2 Opportunities and potentials for tourism businesses
Through which factors does architecture attract visitors?

Architecture acts through its qualities.

- **High quality architecture stands for function and well-being**
  Orientation, functionality and quality of space are hygienic factors and due to this reason are indispensable for guest satisfaction. Short distances, good accessibility of all facilities and prevention of crossing points between front and backstage avoid conflicts and increase guest satisfaction.

- **High quality architecture stands for corporate identity**
  The very first impression of guest and potential customers is mostly enmeshed in architecture. Sensual perception and impressive shapes, as well as their illustration create memories. Special design can easily be remembered and therefore positively influences the decision making process.

- **High quality architecture translates into competitive advantage**
  Good architectural composition is something special and unforeseen. The involvement of history and environment gives it the potential to differentiate it from competitors.

- **High quality architecture stands for life-style and zeitgeist**
  Superior atmosphere attracts customers who value quality during leisure time and holidays highly. Contemporary architecture generates public attention through media and first adopters and becomes the central element in the word-of-mouth equation. An attractively designed environment represents life style and zeitgeist, which augments the attractiveness for businesses and incentive offers.

- **High quality architecture stands for quality of life for employees**
  Entrepreneurs constructing spaces by using contemporary architecture create their own working ambience based on their own objectives. This fact enables them to work and act
authentically for their customers and guests. Also, high quality spaces enable employees to work in an efficient and effective way.

- **High quality architecture stands for sustainability**
  Well planned architecture can easily be adapted to changing demands over time, and is therefore cost efficient. In order to keep its value over time, high quality architecture assures the highest levels of planning as far as quality of space, location, and the orientation of building openings are concerned – factors that cannot be changed once the construction process has been finalized. Interior space, on the other hand, can be easily adapted to trends and demands.

**Architecture is a powerful marketing tool in the tourism industry**

- **Creating a significant brand touch through architecture**
  Through structural design, values and lifestyle of brands can be experienced. As a result, typical, special, unique and distinctive elements are conveyed to the target group.

- **Augmenting the product value through architecture**
  Architecture is a strong means of expression that affects its spectators emotionally. Furthermore, it sets the framework for rational examination. High quality architecture augments the cultural value as well as the experience value of a product.

- **Using architecture as a topic in communication and in marketing matters**
  Tourism spaces and buildings create messages through two channels: directly and via impressions. Through style and quality of architecture, certain target groups are addressed. Moreover, uncountable stories can be told through architecture and about architecture. Furthermore, contemporary architecture creates excitement which fosters media coverage.
ad 3. Success factors for tourism businesses

What are the points of interest for new entrepreneurs who want to accomplish economic success through contemporary architecture? What can they do in order to be successful?

The following success factors are based on experiences of the interviewees using contemporary architecture. From their point of view as trendsetters, different coherences were found.

Innovative Entrepreneurship

- Opting for contemporary architecture requires – like all unconventional and new solutions – courage and openness. Entrepreneurs positioning their companies through contemporary architecture distinguish themselves through their ideas and innovative potential. As a result, those solutions not only affect their own business, but sometimes regions can be affected in a positive way as well.

- Necessary characteristics for high value architectural structuring are a high level of quality orientation, and delegation and cooperation capabilities. Successful entrepreneurs look for expertise in subjects which are out of their scope of expertise.

Design Awareness, Know-how

- In order to use architecture at its maximum, entrepreneurs have to understand management and architecture as structural objectives. Successful businesses use construction matters in all business undertakings: as an instrument to realize the business concept, as a brand design tool, as an organizational tool for business operations, as well as a tool in the marketing mix.

- Many people have a good understanding of and a strong interest in spatial design. Others are aware of the fact that their strengths are in other areas, and therefore put the construction and design work in the hands of experts, namely architects.

Professional conception and stringent realization

- What counts for the guest is the overall experience that surrounds a strong idea. Successful tourism businesses put their vision at the centre of their corporate and brand concepts. They define values, objectives, target groups and strategies and create an experience based on the realization of their idea. This is achieved through reasonable
price setting, attractive product design and ambience creation, successful communication and marketing efforts. The product has to be holistic for the client to experience it to its full potential.

- **Architecture contributes substantially to the guest’s overall experience.** Architecture gives shape to the idea and corporate philosophy, assists business operations, defines the atmosphere and stages themes.

- **The development of a business and marketing concept** has to be coordinated closely with the **business, marketing and architectural concept.** The early involvement of architects increases the efficiency, as well as highlighting the opportunities and limitations of architectural design.

- Most tourism concepts build on grown structures in regard to the products, therefore such structures have to be taken into account. **Conceptual development, tradition and innovation, as well as regional spatial structures are important topics** to be discussed and put into a contemporary context. In family-run businesses personal objectives and life plans of the entrepreneurs influence the concept strongly.

- **The realization of the concept idea has to be given shape.** This continuous design line has to be found everywhere e.g. interior space, furniture design, exterior design (building surrounding), but also in the corporate design and all marketing matters.

### Principal expertise and communication abilities

- **Spatial design calls for much expertise.** It is the tourism **business’s responsibility** to make sure that the architectural potential is used to its fullest and that construction projects are handled most efficiently.

- **It is vital to decide early in the process whether external experts should be consulted.** Furthermore, it must be clear what areas are handled by the tourism business and which tasks will be outsourced. A prerequisite for a clear division of competences is a realistic judgment of one’s own skills. In addition, trust in the partners as well as mutual understanding for and of the parties involved, namely tourism expert and creative planners and designers is necessary. The principal should at least have a basic understanding of spatial design and should also be familiar with the procedures of the construction sector.

- **Interviewees reported that finding the right partner** is one of the most essential success factors, but also one of the most difficult tasks to accomplish. Generally speaking, basic criteria for making the right choice are: knowledge about reasonable selection procedures, explicit conceivability of expertise and competences, overview of potential
partners and their business specialization as well as references. Besides expertise other factors have to be taken into account, such as good communication, a basis for discussion and sympathy.

- The basis for a good collaboration between tourism businesses and creative planners is an explicit instruction of the principal, which should include the fullest amount of necessary information about the tourism concept as well as the operational concept. Moreover, the values (like: style, operational matters, seasonal differences, culture of construction, and further development of the company etc.) behind these concepts have to be worked out clearly for the creative planer.

- The challenge of the planning and construction process is to use the expertise of all people involved to the maximum, as well as to link them together. Communication skills, efficient coordination processes and timely decision making are vital capabilities of the principal.

Employees being part of the concept

- In the tourism industry employees contribute vitally to the success of a business – they are in direct contact with the guests and thus, shape the overall experience for the guest. Staff members also take over the position of opinion leaders as far as architecture and spatial concepts are concerned.

- Employees should be strongly integrated into the concept and should be motivated to reflect on architecture. Not only should they be able to pass on relevant information about the building, they should know and appreciate the spatial quality from their own experience.

Architectural placement in the scope of communication and PR

- It often takes time for new things to be accepted – this in particular applies to contemporary architecture. From this fact stems the need to explain the architectural concept to visitors and guests. It should involve history and reasons for formal design. Focus should also be put on interesting details and personal advantages from the construction. By explaining the concept to visitors and guests the target group has to be considered. One should take the group's previous knowledge, interest and information habits into account.
• **Architectural placement for abutters and authorities**
  As experience shows, the first innovative architectural projects often are not welcomed within a region. If resistance is to be expected professional PR work is essential in order to involve all stakeholders in the project development from the start. The range for PR actions reaches from personal letters, moderated events to construction site inspections. It is of utmost importance to communicate the benefit of the project. As soon as abutters, authorities and guests are familiar with contemporary architecture and aware of the positive effects like value creation and gain of image in the region, new projects are not longer demonized.

• **Architectural placement for customers and guests**
  Explanations concerning architecture and design increase the interest and improve on the experience of guests. This topic of conversation and gained knowledge is an added value for guests which can serve as a basis for word-of-mouth recommendations.

• **Architecture in the media**
  High quality architecture is an attractive topic – especially for media with a sophisticated target group. Professional media work makes sure that publicity and acceptance is guaranteed. Good pictures, information and stories serve as a basis for a successful media presentation which results in a higher demand upon opening. Generally speaking press reports are free of charge and are an essential support throughout the market positioning process.
ad 4. Chances and capabilities for regions and tourism destinations
Which positive effects can be achieved through contemporary architecture?

- **Tourism success, especially in culture-, indulgence- and sophisticated experience tourism**
  Tourism space act like landmarks, as well as providing orientation. Tourism architecture shapes the landscape in the long run. As a result the esthetic value, as well as the indulgence quality of a region is improved by architecture. High value buildings can be seen as the basis for the touristic success of a destination, and therefore influence its economy and society.

- **Cultural vitality and innovative potential**
  Contemporary architecture is a means of expression for the cultural diversity and innovative potential of a region. Furthermore, new ideas and seminal concepts are conveyed through contemporary architecture, and simultaneously it sets a course and provides inspiration for new projects and enhancements. The high value architecture of today is the cultural heritage of tomorrow.

- **Regional identity and strong destination brands**
  Contemporary architecture releases impulses to examine the regional identity as well as life style. Interest, acknowledgement and foreign perspectives shape and foster the perception a region has of itself. Moreover it encourages self identification and motivation for regional cultural performances.

- **Sustainability of the regional and tourism development**
  High quality architecture takes into account and enriches cultural resources, the ecology and the social environment. Hence, it accomplishes a vital part of sustainability in tourism projects.
Source of regional value added

Through the example of the “Bregenzer Wald” (western region of the federal state of “Vorarlberg”) a particular correlation between contemporary architecture and regional value added can be seen: The regional building industry distinguish themselves through a handcraft tradition. Furthermore, those businesses meet the challenge to develop new techniques and solutions for new structural and design ideas / problems. As a result the regional building industry of the Bregenzer Wald has an excellent reputation internationally due to a constant augmentation of competence and competitive advantage. Hence, contemporary architecture is a source of regional development and adds to the competitiveness of a region.

International recognition and export of know-how

Austria has the capacity to position itself internationally through the transfer of knowledge and experience in regards to planning and construction for tourism. The collaboration of experienced tourism professionals and a vital and creative architectural scene has shown internationally promising figures. The number of positive examples strengthens not only Austria’s position in the European cultural tourism scene; it also raises the chances for exporingt this knowledge lucratively to new markets.

Recommendations for further development and fostering contemporary architecture in tourism

Qualifications: Education and further training

- Short term: Training and consulting projects for practitioners, who are ready to begin building or are aiming to build something new.
- Intermediate term: Integration of the topic “Architecture and Design”, as well as “fundaments of constructing” in tourism education

Funding

Concerning the funding directives of tourism projects for private businesses, a strategy regarding the funding of high quality architecture has to be developed. Architecture and design cannot be
given standardized qualitative criteria. Moreover, a standardization of the creative process cannot be the aim, since it diminishes the diversity of projects. The establishment of quality assuring processes would be a fair solution for the development of high quality architecture.

Support of quality oriented processes for high value architecture.
- Funding for consulting services in the area of construction and architecture during the concept creation
- Funding for diverse preliminary drafts of different architectural offices, in order to encourage the opinion and decision making process.
- Funding for draft and design expenses to the same degree as funding of physical construction material

Research and Development
- Market research serves as a basis for architectural project development close to the market needs as well as successful implementation of architecture in tourism marketing
  Data regarding market needs, trends and opportunities, potential target groups and evaluation of users and guests concerning contemporary architecture
- Further studies regarding architecture and tourism, especially concerning the topic “regional effects and high value architecture”
  Achieving sustainability through the interaction of diverse branches of trade, etc.
- Development of energy-efficient technologies for temporary living spaces
  Improvement on energy efficiency as well as an increase in the ecological sustainability achieved by tourism companies, with a special focus on the hotel business
- Quality assuring processes serving as the basis for the funding of architectural quality in tourism matters
  Development of effective and efficient processes, which foster good project ideas