Toward better tourism

Exploring strategies for stimulating visits to less-frequented areas

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Master thesis in Strategic Product Design

withlocals | TUDelft

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visits to less-frequented areas

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Executive summary

The impact of over-tourism on popular tourist destinations has become a major concern, affecting the environment, social dynamics, and local economies. This thesis, developed in collaboration with Withlocals, an innovative travel-tech firm dedicated to sustainability, explores opportunities for addressing this critical issue by redirecting tourist traffic to less-frequented areas. The main goal is to assess the feasibility of creating specific strategies that cater to the needs of customers, Withlocals, and society by using design tools and methods.

The project involves in-depth research, both empirical and theoretical, supported by tools and premises of systemic design, behavioural design and strategic design. The research highlights:
1. The complexities of over-tourism and methods to mitigate it (Chapter 2).
2. The factors contributing to high tourist numbers (Chapter 3).
3. The motivations behind tourists visiting less-frequented areas and strategies to encourage this behaviour (Chapter 4).
4. The strategic positioning of Withlocals (Chapter 5).

Building on these insights and a client-involving conceptualization process, the thesis proposes two actionable strategies for Withlocals: the core strategy - shift to "Hallmark Experiences" framework, which promotes thematic exploration and provides diverse location and activity options, and the "Destination Education" and "Location Scorings" features, designed to enhance platform-based education and transparency regarding destinations and locations (Chapter 6).

These proposals are designed to direct visitors' focus towards learning about unique hallmarks rather than just traditional landmarks, cater to visitors' personal interests and address their information and confidence gaps, while expanding the range of points of visits. Hence, they are expected to encourage visits to less-frequented areas and, partially, alleviate spatial congestion. The proposals also aim to reinforce Withlocals' values of originality, storytelling, and knowledge, while aligning with their plans to enhance the personalization. Finally, these strategies offer additional potential benefits for Withlocals, including competitive differentiation, booking conversion optimization, and an enhanced brand perception.

Significantly, to align with broader sustainability goals, these strategies must be complemented by robust growth and temporal congestion management measures, ensure the authentic representation of regional identities, obtain consent for tourism from local communities, and promote sustainable transportation options. Further steps should include validation with customers and hosts, evaluation of behaviour change effectiveness, and careful assessment of potential risks, such as increased operational complexity.

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Chapter 1

Introduction

This chapter provides an overview of this Master's Thesis. It begins by introducing the backdrop of the project. Then, it explains the project goal and its relevance to Withlocals, the collaborator for this project. Lastly, the chapter explains the approach and methods selected to realise the project, and its relation to the overall report's structure.

Introduction

1.1. Context

Historically, the **tourism industry** has stood as a multifaceted force, acknowledged not only for its **substantial economic contributions** but also for its role in facilitating **cultural exchange** and **enriching experiences** for millions of travellers worldwide (UNWTO, 2018; World Travel & Tourism Council, 2022; UNWTO, 2015). However, amidst the promises of economic prosperity and cross-cultural dialogue, the emergence of over-tourism has recently cast a shadow over the industry, raising pressing sustainability concerns (Dodds & Butler, 2019).

In recent years, the tourism sector has witnessed **unprecedented growth**, fuelled by increasing global connectivity and rising disposable incomes (Dodds & Butler, 2019; Peeters et al., 2018; Epler Wood et al., 2019). While this growth presents significant opportunities for economic development and cultural enrichment (UNWTO, 2018; World Travel & Tourism Council, 2022; UNWTO, 2015), it also brings forth the challenge of **over-tourism**, leading to crowded destinations, overwhelmed infrastructure, and environmental degradation, posing threats to the well-being of local communities, the integrity of ecosystems and more (Dodds & Butler, 2019; Peeters et al., 2018; Epler Wood et al., 2019).

The alarming pace of progression and hardly-reversible character of the changes have been growingly underscoring the urgent necessity of change (Dodds & Butler, 2019; Peeters et al., 2018). Inevitably, governments and local authorities play an important role in addressing the issue, and indeed, several local authority bodies have begun implementing measures (Dodds & Butler, 2019; Peeters et al., 2018). Yet, as scholars stress, collective commitment and **actions from all actors within the tourism industry are required** to address the issue in a timely and effective manner (Séraphin et al., 2020).

Interestingly, **residents** are now increasingly reevaluating their attitudes toward tourism (Dodds & Butler, 2019; Séraphin et al., 2020). As awareness grows about the negative impacts of tourism, coupled with rising concerns such as high housing costs and tourists encroaching on everyday spaces, local communities are becoming **more critical of tourism** in their cities

and countries. This shift is evident for instance in the emergence of anti-tourism **boycotts** and **protests** in various cities in recent years (Dodds & Butler, 2019; Peeters et al., 2018; Epler Wood et al., 2019).

Furthermore, recent market analyses suggest a potential **shift in tourists' attitudes** may be underway. As tourists also increasingly experience the negative impacts of over-tourism firsthand (Peeters et al., 2018) and become more aware of societal issues and tourism's impacts, they express a **desire to explore less -frequented areas** which can offer more intimate and sustainable travel experiences (Dodds & Butler, 2019; Booking.com, 2019). Emerging evidence suggests that this changing tourist behaviour **might offer a promising solution to the overcrowding issues** in heavily visited areas that contribute to over-tourism (WTO, 2023; Phi, 2019); yet, it should be stated that the broad evidence of this change in consumer behaviour remains to be seen.

1.2. Assignment

Withlocals, a partner in this thesis, stands as a globally present, fast-growing travel tech company. Throughout their platform and tours, the company connects residents with visitors, aiming to provide a more genuine and supportive of local economy travel experience, compared to traditional group tours. The company has a robust appetite for growth, yet, acknowledging the inherent challenges within the tourism sector, it is also **committed to aligning its business objectives with sustainability goals**. The current company's practices exemplify this commitment among others by offering carbon-neutral, private tours led by fairly compensated local guides, emphasising intimate group sizes, which enables lower street congestion and lower economic leakage, compared to traditional group tours.

As over-tourism becomes a pressing issue and local support for tourism in major destinations grows increasingly unstable, it becomes of key importance for Withlocals to **understand this issue and strategise accordingly**. Given the company's sustainability ambitions and the overlap of the potential customer mindset shift with their expansion strategy, Withlocals is particularly interested in understanding **if, and if so how, the company could stimulate visits into less-frequented areas in a way that contributes to spatial congestion alleviation and ultimately to over-tourism alleviation, while aligning with their and their customers needs and constraints**. The following thesis is aimed at assisting Withlocals in finding answers to these questions.

In particular, since the company has not delved extensively into the issue of over-tourism in the past, especially, the **connections between sustainability**, **over-tourism**, **high visitor numbers**, **spatial congestion**, and **visits to less-frequented areas** remain unclear, the thesis begins by exploring these aspects in **Chapters 2** (Context) and **Chapter 3** (Problem). It also provides insights on what might be a relevant approach when aiming at the **alleviation of the three**. The depth of exploration in these two chapters builds on a conviction that a thorough understanding of the interconnected elements within and around the problem is essential to its effective, responsible resolution (Papanek, 1985; Manzini, 2015; Buchanan, 1992; Tromp & Hekkert, 2019).

Having explored these relations, the thesis delves into the customer context (Chapter 4) and the company context (Chapter 5). In particular, rooted in a belief that aligning the solutions with customer values, leveraging factors motivating the desired behaviours and removing barriers hindering the desired behaviours can lead to more pertinent solutions (European Environment Agency, 2013; Banerjee, 2014; Baldassarre et al. 2017; Tromp & Hekkert, 2019; Cash et al., 2020; Verplanken, 2018), and amplified by the existence of the potential attitude-behaviour gap (see: 1.1. Context), **Chapter 4** focuses on grasping **factors underpinning customer decisions to visit highly- and less-frequented areas and ways of stimulating that decision**. Furthermore, realising the importance of aligning innovation efforts with the company's capabilities, values and goals, **Chapter 5** analyses elements of **Withlocals'** current **business model, values, strengths, weaknesses, opportunities and threats** as well as its **strategic objectives**.

Through a collaborative and iterative process of ideation and refinement, the insights gleaned from these four chapters are transformed into specific **product strategy change propositions for Withlocals** (**Chapter 6**) which, together with **recommendations for its implementation**, provide an answer to the project's overarching question. The project's general **contributions, limitations, and a personal reflection** on the process are then summarised in **Chapter 7**, concluding the thesis.

Introduction

1.3. Approach

The activities outlined in the preceding section adhere to the **Double Diamond** design process (Design Council, 2023), which divides the activity sequences into two phases—**research and design**—each involving stages of divergence and convergence. As **Fig. 1** illustrates, the research phase begins with divergence through the exploratory Chapters 2-5, and culminates in Chapter 6, where findings converge to establish a focal point for the subsequent design phase. Throughout the iterative and collaborative process of ideation, evaluation, and refinement of potential product strategy changes, which along with its outcomes are described in Chapter 6, the transition from divergent exploration to focused convergence is reintroduced.

Apart from the Double Diamond framework, several practices, principles and tools distinct for specific design methodologies are incorporated at various stages (see: **Fig. 1**). For instance, the broad exploration of Chapter 2 and Chapter 3 is influenced by systemic thinking lenses (Van Der Bijl-Brouwer & Malcolm, 2020; Tromp & Hekkert, 2019). Tools commonly employed in **systemic design** projects, such as the **causal loop diagram** and the **iceberg model** aid in the analysis (Kim, 1999). Next, Chapter 4 reviewing behavioural literature and engaging customers in research, draws from **behavioural design**, particularly from theories regarding **behaviour factors** (Lieren, 2017) and **behaviour change strategies** (Cash et al., 2020).
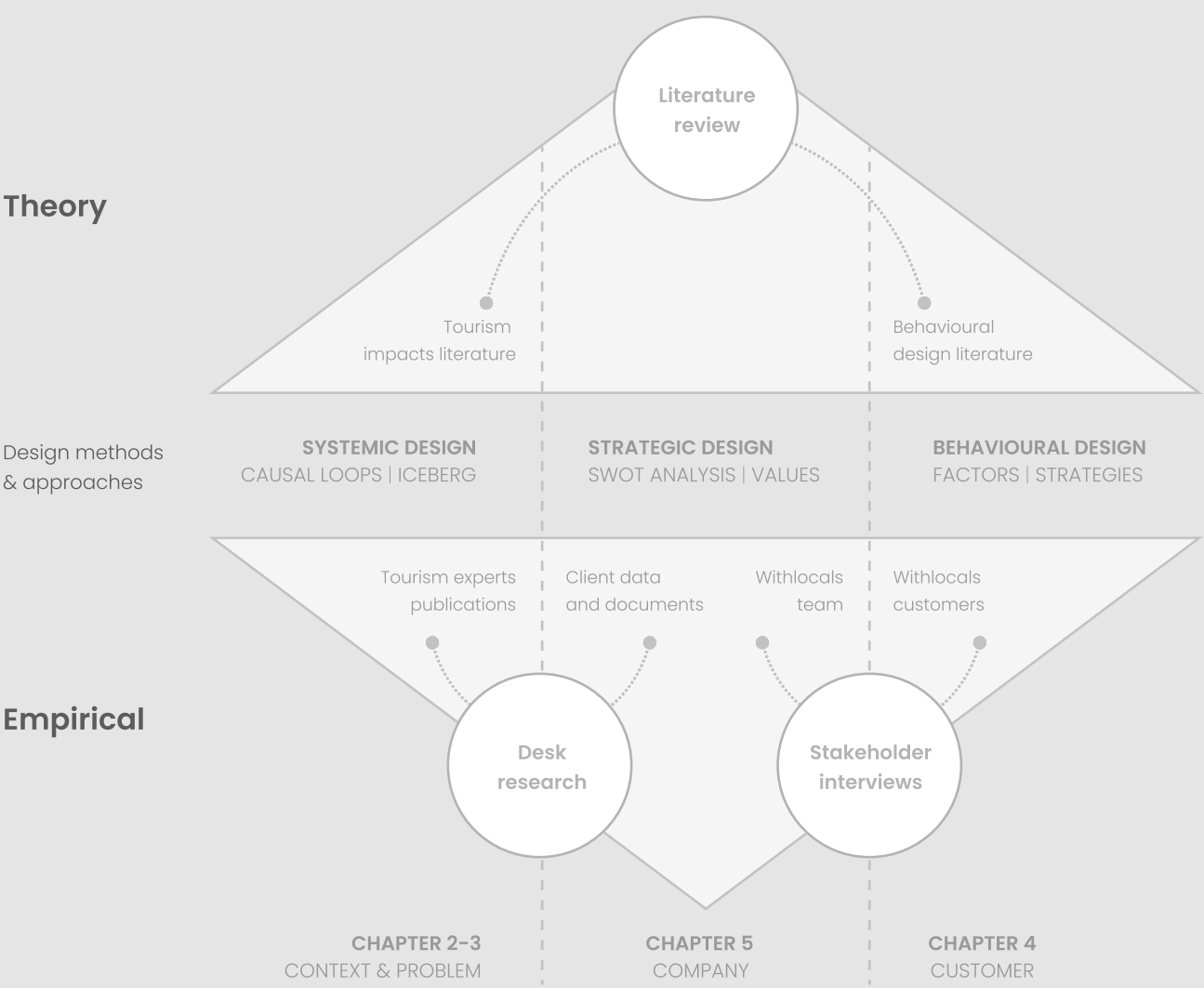
Fig. 1: *Project approach adapted from Double Diamond framework (Design Council, 2023)*

Chapter 5 in turn adopts a **strategic design** perspective (Calabretta, 2016), employing tools such as **SWOT analysis** and the **elements of value** framework (Bain & Company, 2016). The **iterative design** (Brown & Katz, 2011) and **co-design** (Sanders & Stappers, 2008) premises underpin the conceptualisation and development of product strategy concepts described in Chapter 6.

Finally, as further illustrated on **Fig. 1**, regarding **research methods** and **data sources**, Chapter 2 and Chapter 3 rely on a **literature review** within the Tourism impacts domain, with Chapter 3 being supplemented by additional **desk research** focused on tourism experts

publications, Chapter 4 relies on **semi-structured interviews** with Withlocals customers (12) supplemented by a **literature review** within the **Behavioural design** domain. Chapter 5 relies on **informal conversations** with Withlocals team members (12) validated post-summarisation through member checks (Ravitch et al., 2019) and an analysis of the company's **internal documents and data**. Similarly, the concept development process of Chapter 6, besides drawing from the research phase findings, relies on **informal conversations** with Withlocals team members, as well as **supplementary desk research** oriented on the case of a specific destination and related products. The subsequent chapters offer an in-depth description of the methodologies used in each of them.

Findings
overview

Chapters 2-5

ITERATIVE DESIGN
SKETCHES | PROTOTYPES

CO-DESIGN
SKETCHES | PROTOTYPES

Withlocals and
related products

Contextual
case data

Withlocals
team

Desk
research

Stakeholder
sessions

CHAPTER 6
STRATEGIES
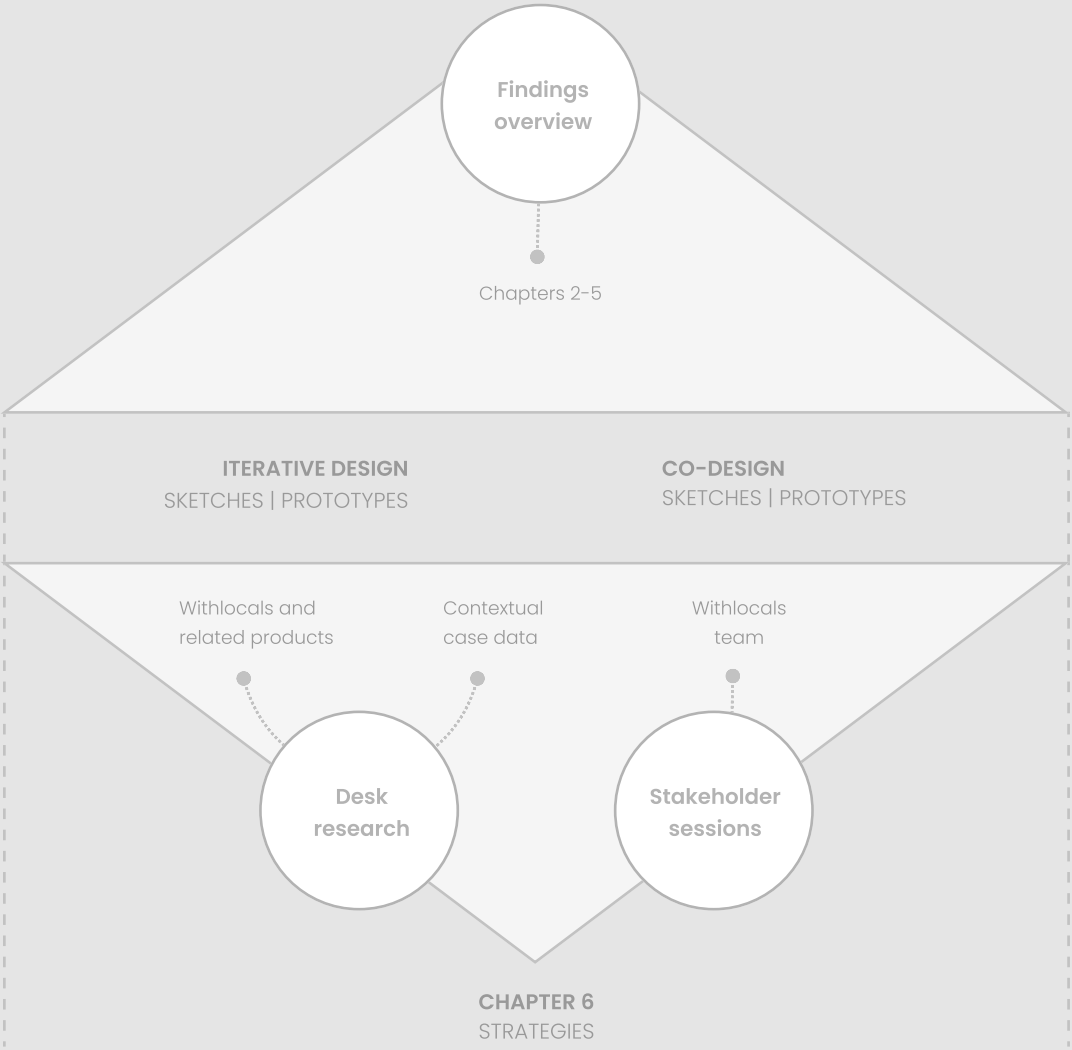
Key takeaways

Withlocals seeks to gain a deeper understanding of over-tourism, a significant sustainability challenge that has increasingly undermined support for extensive tourism activities among residents, local authorities, and travellers. Specifically, the company aims to explore whether, and how, it can encourage visits to less-frequented areas in a manner that alleviates spatial congestion and contributes to the mitigation of over-tourism while aligning with both the company's and its customers' goals, needs and constraints.

To explore the above, this thesis investigates the following three areas: the interconnectedness of sustainability, over-tourism, high visitor numbers, spatial congestion, and visits to less-frequented areas (1), the factors influencing customer decisions to highly- versus less-frequented areas and strategies to stimulate such visits (2), and the elements of Withlocals' current business model, values, strengths, weaknesses, opportunities, and threats, along with its strategic objectives (3). The thesis culminates in proposing potential product strategy changes and further recommendations attempting at the aforementioned ambition.

To achieve these objectives, the project employs the Double Diamond framework, incorporating practices, principles, and tools from various design methodologies, including systemic design, behavioural design, and strategic design. The research phase comprises a literature review, desk research and stakeholders interviews, while the design phase leverages insights from the research phase, from workshops and discussions with company stakeholders, and from the additional desk research.

Chapter 2

Context

Given the importance of a thorough understanding of the links between the project's problem and its context (see: Chapter 1), this chapter provides an overview of notions of sustainability, over-tourism, over-tourism alleviation, as well as high numbers of tourists and examines their interrelations.

In particular, the chapter begins with an introduction to sustainability and sustainable tourism. It then follows with a discussion of over-tourism's framing in media and literature, its main factors, and implications – drawing links to tourism sustainability and high numbers of tourists. Next, it explores the general approach, directions, and strategies for over-tourism alleviation – again, drawing links to tourism sustainability and high numbers of tourists, to ultimately conclude with key findings.

The analysis is realised through a literature review and supported by a simplified causal loop diagram (Kim, 1999). Tourism academic and industry literature serves as the foundation for the findings. Sources are identified through ongoing discussions with company stakeholders and cross-referencing, without a predefined reading list or order.

2.1. Sustainability

Sustainability can be regarded as *"meeting the needs of the present without compromising the ability of future generations to meet their own needs."* (United Nations, 1987). **Human needs** can be in turn defined as the need for autonomy, beauty, comfort, community, competence, fitness, impact, morality, purpose, recognition, relatedness, security and stimulation (Desmet, 2020), and can be further broken down to, among others, a need for natural beauty, a need for environmental control, a need for rooting in tradition and culture, a need for a sense of control over the environment, a need for respect, a need for physical safety, a need for financial security and a need for social stability. The fulfilment of those needs is related to achieving a balance between the three interconnected sustainability dimensions, namely the **economic sustainability**, understood as creating wealth across various segments of society, the efficiency of all economic endeavours, the viability and the ability of businesses and initiatives to endure in the long run, **social sustainability**, entailing promotion of human rights, equality in terms of opportunities and benefits' distribution, particularly by addressing poverty, supporting local communities and diverse cultures, and steering clear of any form of exploitation, and **environmental sustainability**, focused on preserving and overseeing resources, particularly those that are either non-renewable or crucial for sustaining life, taking measures to reduce pollution in the air, land, and water, as well as safeguarding biological diversity and the natural heritage (United Nation Environment Programme & World Tourism Organization, 2005).

In the context of tourism, sustainability regards *"taking full account of [tourism's] current and future economic,* social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (United Nation Environment Programme & World Tourism Organization, 2005, p. 11-12). The delivery of such defined sustainable tourism development has been framed as striking a balance between the 12 consecutive, interdependent goals (United Nation Environment Programme & World Tourism Organization, 2005, p. 11-12) as follows (see: **Fig. 2**):

1. **Economic viability,** focused on ensuring tourism destinations and enterprises' long-term viability and competitiveness,

2. **Local prosperity,** focused on optimising the impact of tourism on the economic well-being of the host destination, including increasing the percentage of visitor expenditures that stay within the local community,

3. **Employment quality**, focused on enhancing the numbers and quality of local employment generated and sustained by tourism, including improving wages, service conditions, and accessibility for everyone,

4. **Social equity**, aiming to achieve a broad and equitable sharing of economic and social advantages from tourism across the community, which involves enhancing opportunities, income, and services accessible to those in need,

5. **Visitor fulfilment**, aiming to offer a secure, enjoyable, and rewarding experience for visitors that is accessible to everyone, regardless of gender, race, disability, or other factors,

Fig. 2: 12 Sustainable Tourism Areas adapted from Sustainable Tourism Agenda *(UNEP & WTO, 2005)*

6. **Local control**, focused on involving local communities in the planning and decision-making processes regarding tourism management and future growth in their region through collaboration with other stakeholders,

7. **Community well-being**, focused on upholding and enhancing the well-being of local communities, encompassing social structures and access to resources, facilities, and essential support systems while preventing any social deterioration or exploitation,

8. **Cultural richness**, aiming to honour and improve the historical heritage, genuine culture, traditions, and unique characteristics of the communities hosting the activities,

9. **Physical integrity**, focused on preserving and improving the quality of city and countryside landscapes while preventing any physical or visual environmental harm,

10. **Biological diversity**, aiming to preserve natural areas, habitats, and wildlife while minimising harm to them,

11. **Resource efficiency**, focused on decreasing the utilisation of scarce and non-renewable resources in tourism amenities and services development and operation, and

12. **Environmental purity**, aiming to reduce the contamination of air, water, land and reducing waste creation caused by tourism businesses and visitors.

Context
2.2. Over-tourism

2.2.1. OVER-TOURISM IN MEDIA & ACADEMIA

As Phi's (2020) news content analysis concludes, the narrative dominant in modern media frames over-tourism as a phenomenon primarily attributed to the growth of tourist numbers and their tendency to visit popular destinations in the same periods, taking place predominantly in European cities. Within this narrative, the implications are primarily framed in terms of local

community well-being - with residents experiencing congestion, limited access to facilities and rising costs of living. As a result, residents' protests emerge.

As academics stress, this narrative simplifies the **complex, 'wicked' nature** of the over-tourism phenomenon, which **acknowledgement and understanding is essential in its effective addressing** (Phi, 2020; Dodds & Butler, 2019). A review of academic literature and policymakers' work offers a more nuanced framing, in line with Phi's (2020) and Dodds & Butler's (2019) postulates. In line with these, over-tourism is defined as *"a complex phenomenon that strongly affects the liveability of a place, as well as the experiences of residents, visitors and different stakeholders who are either directly or indirectly involved with or affected by tourism"* (Peeters et al., 2018). According to Peeters' et al. (2018) framing, the phenomenon **occurs when the effects of tourism activity, at certain times and locations, surpass physical, ecological, social, economic, psychological, and/or political capacity thresholds**. The issue can be found within urban destinations, heritage and attraction destinations, coastal and island destinations, and rural destinations. With the greatest concentration in Europe and Asia, its instances can be found on each continent (Peeters et al., 2018; Dodds & Butler, 2019).

2.2.2. FACTORS

Regarding factors comprising over-tourism, similar to media portraits, the high number of visitors is often introduced in the literature (Dodds & Butler, 2019; Peeters et al., 2018; Séraphin et al., 2020). However, three other vital factors comprising the factors, namely, the visitors' behaviours, the destination's capacity and the structure of various tourism services and their effects can also be traced in the literature (Dodds & Butler, 2019; Peeters et al., 2018; Seeler et al., 2022; McKinsey & Company & World Travel & Tourism Council, 2017; Phi, 2020).

In terms of the **high number of visitors** in a particular **space**, the concentration within regions (e.g. North Holland vs other regions), within destinations (e.g. Amsterdam vs other cities), within destination districts (e.g. Amsterdam Centrum vs other districts), within the specific points of interest (e.g. Anna Frank museum vs other attractions), or within the areas within the specific

point of interest (e.g. Badaling entry to the Great Wall vs other entry points) is mentioned (Peeters et al., 2018; Dodds & Butler, 2019; McKinsey & Company & World Travel & Tourism Council, 2017). Regarding **time**, the concentration within months of a year (season months vs off-season months) and the hours of a day are referred to (Peeters et al., 2018; Dodds & Butler, 2019; McKinsey & Company & World Travel & Tourism Council, 2017). Finally, the **growth** in the number of visitors has also been described as contributing to the problem (Dodds & Butler, 2019).

Regarding **visitors' behaviours**, the visitors' actions during the visit, for example, interactions with residents and visitors' direct surroundings or further products/ services purchase decisions, are primarily mentioned (Dodds & Butler, 2019; Peeters et al., 2018; Phi, 2020). However, the actions before and after the visit, for example, the itinerary planning, research about the destination, purchase of tourism products/services or sharing the accounts of the trip with others, also have an influence (Dodds & Butler, 2019; Peeters et al., 2018; Phi, 2020).

Thirdly, as regards the **destination's capacity**, according to Peeters et al. (2018), this involves the physical capacity (infrastructure, space), the psychological capacity (the ability to emotionally sustain excessive tourism and its impacts), the political capacity (inability of local governments to comprehend, regulate, and govern the repercussions of excessive tourism) the ecological capacity (e.g. noise, air quality, water use, water quality, waste), and the economic capacity (tourism commercial zones).

The fourth factor, the **structure of tourism services and**

its effects, can be illustrated with the example of Venice and touristic mega-cruises. As Dodds and Butler (2019) describe, the operating model of these massive ships is not only to release a large number of visitors at once, causing congestion in the city, but also to stimulate spending on the cruise itself, limiting the positive economic impact on the local economy. At the same time, the ships contribute to waterbed deterioration, create noise, obstruct views, and disrupt the city's traditional look, affecting its cultural heritage, while its fossil fuels-based engines emit massive amounts of carbon dioxide into the atmosphere and pollute the surrounding air. Thus, as can be derived from the example, the negative implications can stem from the design of the service process (sequence of activities needed to deliver the service), the design of service system (resources needed to realise the concept, including the staff, customers, physical/technical environment and organisation & control) (Edvardsson & Olsson, 1996), as well as from its business model, understood as the architecture of how the value is created, delivered and captured by an organisation (Teece, 2010).

Finally, as regards the **dynamics** between the factors, it can be derived that the number of visitors acts as an enhancer to the effects of visitors behaviours and the structure of tourism products/services, as well as a factor on each own. At the same time, each of the mentioned factors (number of visitors, visitor behaviours, the structure of tourism products/services) can be, in turn, presumed to have a depleting effect on the destination capacity in its different dimensions (physical, psychological, political, ecological, economic). These mechanisms have been illustrated in a simplified causal loop diagram below (**Fig. 3**).
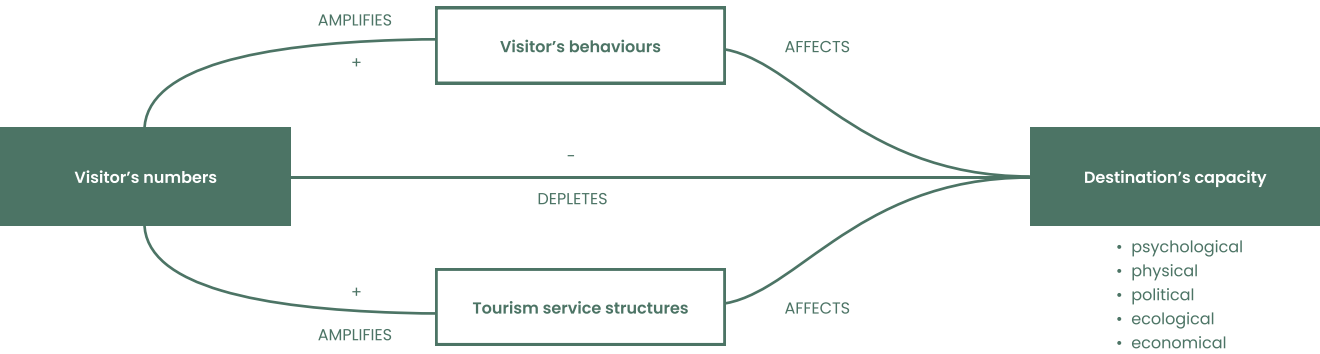

Fig. 3: *Over-tourism factors dynamics - simplified causal loop diagram* (source: author)

2.2.3. IMPLICATIONS

Among the implications of over-tourism, Peeters et al. (2018) defines, water-, land-, air- and/or noise- pollution and waste disposal problems, impaired investments in non-tourists infrastructure, visual pollution of natural or cultural landscapes, congestion of infrastructure (routes) and its facilities, damage to natural, historical and architectural sites, overcrowding at natural, historical and architectural sites, inflation of prices of specific goods and services, especially tourist-driven gentrification, economic reliance on tourism diminishing of other sectors/types of employment, increased infrastructure maintenance costs due to tourism, limited access to infrastructure, sites and facilities impacting inhabitants daily activities, degraded image of the destination, degradation of facilities and activities targeted at inhabitants, change of the character of the area from residential to tourist-oriented, marginalising residents population, conflicts, hostility and misunderstandings in tourists-residents interactions, modifying activities, events and sites to cater commercial needs of visitors, to loss of cultural traditions and values. Other authors also involve aspects such as economic leakage, which refers to limited retention of tourist spending in the local

economy, low-quality employment raising criminality rates, damage to biodiversity, limited involvement of local communities in the decision-making, intensive use of non-renewable resources (e.g. water), as well as carbon footprint related to the overall spectrum of tourism activities (Dodds & Butler, 2019; Goodwin, 2019; Séraphin et al., 2020). Consequently, these implications are said to negatively affect the residents' quality of life, visitors' experience, the destination's attractiveness and popularity, and, therefore, its economic viability. Finally, these are also said to contribute to the diminishment of natural and heritage resources (Peeters et al., 2018; Dodds & Butler, 2019; Goodwin, 2019).

As can be noticed in **Fig. 4** below, the **implications touch upon all of the areas of Tourism influence**, as defined by the United Nations Environment Programme & World Tourism Organization, 2005 & WTO's (2005) Sustainable Tourism Agenda framework (see section 2.1. for reference). Scholarly work (Peeters et al. (2018; Goodwin, 2019; Dodds & Butler, 2019) further supports this, suggesting that **over-tourism can be framed within the broader topic of Tourism Impacts and can be seen as an opposite pole to achieving Sustainable Tourism Aims**.
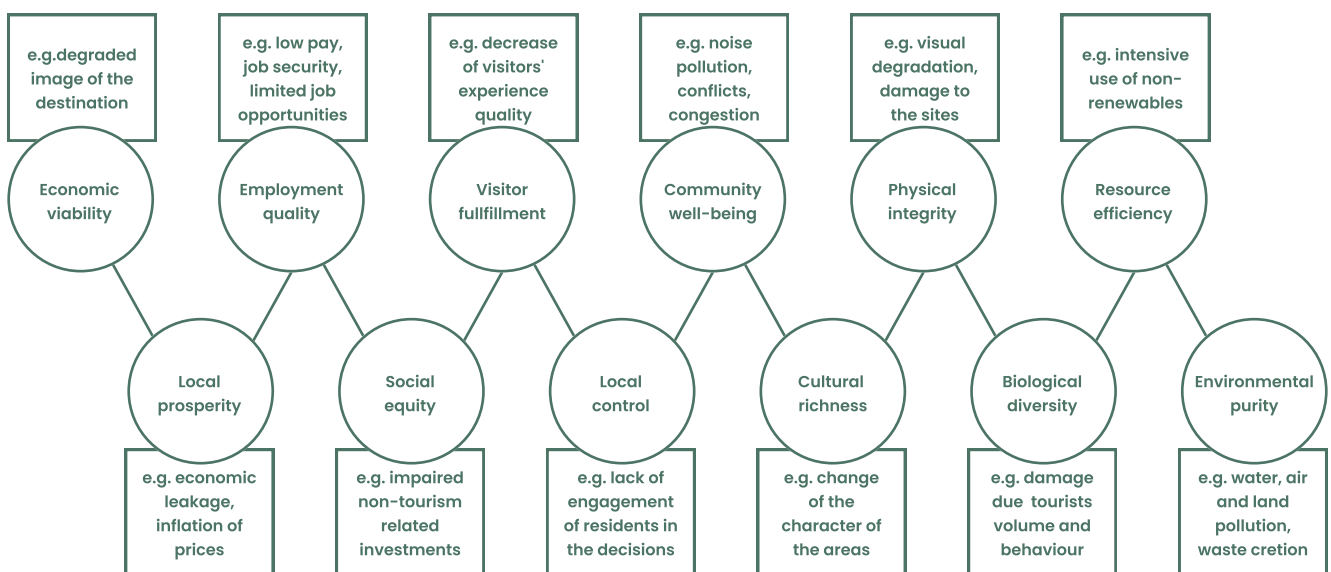
Fig. 4: *Over-tourism implications per Sustainable Tourism Area (source: author)*

o's & Bites 8 KM
TAILS & SPORTSBAR

la

am 7858
km

FEW
TEPS AWAY

EMSTAD

200m
EACH

2.3. Allievation

2.3.1. APPROACH & DIRECTION

In the scholarly work on tackling over-tourism, overall, an emphasis on a holistic approach and prevention prevails. Regarding the **holistic approach**, Seeler et al. (2022) indicate that the overall **transformation of the entire tourism system and the tourists toward more sustainable ways of operating is needed** to alleviate over-tourism. The call for holism also echoes Dodds & Butler's (2019) work, where they emphasise that **alleviation needs to be focused not only on the high numbers but also on other elements of the over-tourism 'equation'** (visitors' behaviours, structure of tourism products/systems, destination's capacity), as well as in Phi's (2019) and Tourism Sustainability Group (2007) works, suggesting that **balancing all of the tourism implications** is critical in addressing over-tourism.

Dodds and Butler (2019) underline the critical role of **prevention** in addressing over-tourism since **once the negative impacts are reached, the changes are complicated to reverse**. This view again echoes the Tourism Sustainability Group guidelines regarding over-tourism alleviation (2007) ("6. Prevent and manage risks.", "9. Monitor ongoingly").

Given the importance of prevention and a holistic approach in addressing the challenge, as well as the fact that the impacts of over-tourism span all areas of Tourism influence and can be regarded as the opposite of Sustainable Tourism (see section 2.2.3 Implications), **the 12 Aims framework for Sustainable Tourism can, therefore, be regarded as an overarching vision and goal depicting a desired state of the system—a way out of over-tourism**.

2.3.2. STRATEGIES

Given the previous section's conclusions, the UNEP's & WTO (2005) overarching Sustainable Tourism strategies can be considered relevant to tackling over-tourism. The proposed strategies per area (UNEP & WTO, 2005), supplemented with additional over-tourism strategies found in the over-tourism literature (Peeters et al., 2018; Dodds & Butler, 2019; Goodwin, 2019; Barwicka, 2022). have been summarised in **Table 1** (p. 24).

As can be seen in this table, in terms of **community well-being**, the strategies can include, for instance, getting the balance right in the volume, timing and location of visits, reducing congestion, promoting mutual use of facilities and services by residents and tourists, influencing the behaviour of tourists towards local communities, information provided before and during the visit on the nature of the host community, their values and any particular sensitivities that should be respected. As regards **local prosperity**, this can be, for instance, reducing leakages, supporting locally-owned businesses and suppliers, encouraging employment of local labour, ensuring a fair proportion of travel expenditure is locally retained, recognising the needs of multiple occupations, influencing levels of visitor spending, attract higher spending markets, increasing length of stay and promoting local products purchase. Regarding **biological diversity**, this can include getting the balance right in the volume, timing and location of visits, working with national parks and other protected areas, minimising damage to natural heritage from tourism, raising visitor awareness of biodiversity, and raising support for conservation from visitors and enterprises. As per **cultural richness**, this can also involve getting the balance right in the volume, timing and location of visits, working with communities on the sensitive presentation and promotion of culture and traditions, and prioritising quality and knowledge-enhancement of experiences. In terms of **local control**, this might involve engaging and empowering local communities, raising awareness of how tourism can affect communities, involving communities in the development and maintenance of a system of indicators for sustainable tourism, improving conditions for effective local decision-making, as well as addressing the specific position of Indigenous and traditional communities concerning local control. **Physical integrity** can involve, for example, ensuring that new tourism development is appropriate to local environmental conditions. **Resource efficiency** may include promoting a reduce, reuse, recycle mentality, encouraging reusable utensils and purchasing secondhand souvenirs. Within **environmental purity**, strategies such as promoting more sustainable transport, reducing the use of environmentally

damaging chemicals, minimising waste, and, where necessary, disposing of it with care may be used. Regarding **employment quality**, an increase in off-season opportunities, recognition of the need for multiple occupations, skills programmes, and career advancement may be applied. In terms of **economic viability**, strategies such as understanding the market, focusing on delivering visitor satisfaction, and working on the sustainability of tourism might be used. With regard to **visitor fulfilment**, improving access for all, monitoring and addressing satisfaction of quality of experience, working on the sustainability of tourism may be effective. Finally, to improve **social equity**, stimulating income-earning opportunities for disadvantaged people and utilising income/time from tourism to support social programmes could be focused on.

Table 1. Strategies for over-tourism alleviation (sources:UNEP &WTO, 2005; Peeters et al., 2018, Dodds & Butler, 2019; Goodwin, 2019; Barwicka, 2022)

1. Community wellbeing	2. Local prosperity
Getting the balance right in the volume, timing and location of visits, reducing congestion, promoting mutual use of facilities and services by residents and tourists, influencing the behaviour of tourists towards local communities; information provided before and during the visit on the nature of the host community, their values and any particular sensitivities that should be respected.	Reducing leakages, supporting locally-owned businesses and suppliers, encouraging employment of local labour, ensuring a fair proportion of travel expenditure is locally retained, recognizing the needs of multiple occupations, influencing levels of visitor spending, attracting higher spending markets, increasing length of stay, promoting local product purchases.

3. Local control	4. Cultural richness
Engagement and empowerment of local communities, raising awareness of the ways in which tourism can affect communities, involving communities in the development and maintenance of systems of indicators for sustainable tourism, improving conditions for effective local decision making, addressing the specific position of indigenous and traditional communities with respect to local control.	Getting the balance right, working with communities on the sensitive presentation and promotion of culture and traditions, prioritizing quality and knowledge-enhancement of experiences.

5. Biological diversity	6. Environmental purity
Getting the balance right, working with national parks and other protected areas, minimizing damage to natural heritage from tourism, raising visitor awareness of biodiversity, raising support for conservation from visitors and enterprises.	Promoting the use of more sustainable transport, reducing the use of environmentally damaging chemicals, minimizing waste and where necessary disposing of it with care.

7. Resource efficiency	8. Employment quality
Promoting a reduce, reuse, recycle mentality (e.g. use of reusables, second hand souvenirs).	Increasing off-season opportunities, recognizing the need for multiple occupations, skills programs, and career advancement.

9. Physical integrity	10. Social equity
Ensuring that new tourism development is appropriate to local environmental conditions.	Income earning opportunities for disadvantaged people, Utilising income/time from tourism to support social programmes.

11. Economic viability	12. Visitor fulfilment
Understanding the market, Delivering visitor satisfaction.	Improving access for all, monitoring and addressing CX & satisfaction.

Key takeaways

Over-tourism is a complex phenomenon. Contrary to portrayals prevalent in public discourse, it ought not to be reduced to high numbers of visitors but viewed as an interplay between the number of visitors, the visitors' behaviours, the structure of tourism products and/or services and their effects, and the destinations political, economical, social, physical, environmental and psychological capacity. The former enhances the effects of other elements, collectively depleting the latter. These dynamics are depicted in a simplified causal loop diagram in **section 2.2.2.**

The effects of over-tourism are broad-based and progressing. Contrary to portrayals prevalent in public discourse, the implications should not be reduced to adverse effects on local community well-being. The implications span across all of the Tourism influence areas - the community well-being, local prosperity, biological diversity, cultural richness, local control, physical integrity, resource efficiency, environmental purity, employment quality, economic viability, visitor fulfilment and social equity - which positions over-tourism as the opposite pole to sustainable tourism. These broad-ranging implications are summarised in **section 2.2.3**.

The effective alleviation of over-tourism ought to be prevention-oriented and holistic. While addressing extensive numbers of visitors plays an important role, the measures should ultimately account for its different elements and implications. Given the duality of over-tourism and sustainable tourism, the 12 aims for an agenda for sustainable tourism (United Nations Environment Programme & World Tourism Organisation, 2005) can act as an aspirational depiction of a desired end goal of the over-tourism alleviation efforts. To move toward achieving this, a wide array of strategies, ranging from influencing tourists' behaviours to involving local stakeholders, has been proposed. These are summarised in **Table 1** in **section 2.3.2.**

Chapter 3

Problem

This chapter delves into the underlying causes of the high visitor concentration in highly-frequented areas and the corresponding alleviation strategies. It explores the roles of multiple actors, especially visitors and commercial parties.

The chapter begins by introducing the iceberg model as an analytical tool and uses it to explore the root causes of tourists' concentration at its different levels. It then discusses strategies tailored to address the causes assigned to each level and concludes with key findings.

The desk- and literature review inform the root causes and strategies analysis. Particular emphasis is placed on identifying strategies aligned with the initial project focus—stimulating visits to less-frequented areas.

3.1. Iceberg model

The analysis in the following section draws inspiration from the **iceberg model**, a widely recognised framework for uncovering deeper layers of problems in systemic design projects (Kim, 1999). This model divides the challenge into two parts: the visible portion above the waterline, which includes Events – the immediately visible symptoms, and the submerged portion below the waterline, encompassing Patterns, Structures, and Mental Models. By examining the deeper levels – the underlying causes of the challenge – the framework provides a foundation for identifying potential intervention points for its mitigation. As suggested by scholars like Fischer and Riechers (2019), interventions targeting deeper levels, such as the challenge Structure and Mental models, have the potential for transformative impact but can be more challenging to devise, implement, and measure. Conversely, interventions focused on surface levels, like Events and Patterns, are easier to measure and implement but typically result in more incremental change.

3.2. Underlying factors

As **Fig. 5** (p. 29) depicts, the extensive number of visitors is deemed an **event** in the iceberg model. Following the literature review in Chapter 1, for the given event, the following **patterns** can be recognised: a consistent pattern of **spatial concentration** of tourists in specific destinations or parts thereof, a consistent pattern of **visitor growth** through years, and a consistent pattern of **temporal concentration** of tourists in specific destinations/parts of destinations.
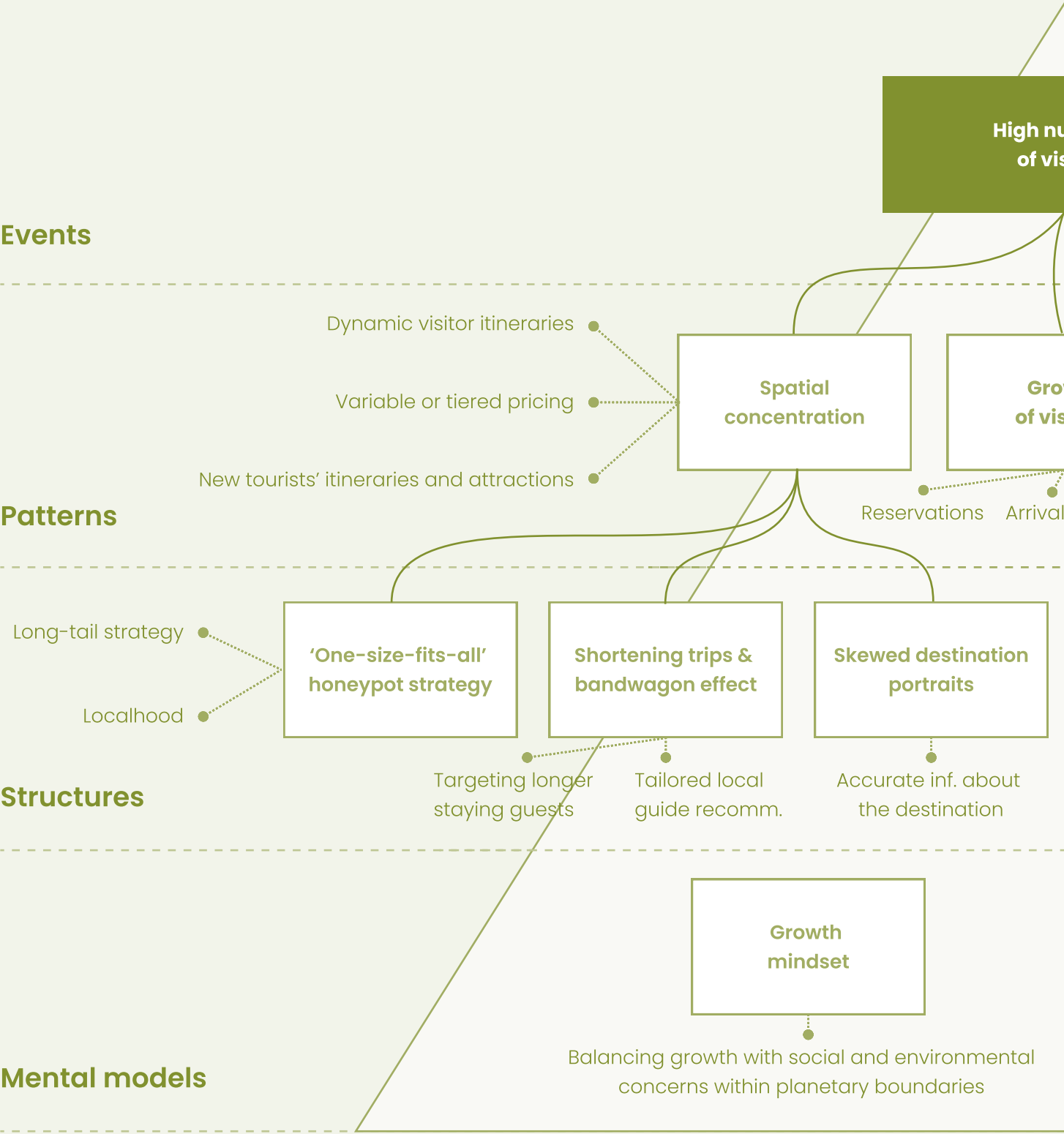
As regards the **structures** influencing the first pattern, **spatial concentration**, the following can be defined: the '**one-size-fits-all honeypot strategy**' that leverages iconic attractions to attract tourists' masses, assuming a universal experience proposition to all visitors (Goodwin, 2019), the **shortening trips duration**, which stimulates visits at more renowned and closer located attraction sites (Peeters et al., 2018; McKinsey&Company & World Travel & Tourism Council, 2017) combined with a '**bandwagon effect**' – a tendency to consider renowned places as more reliable in terms of
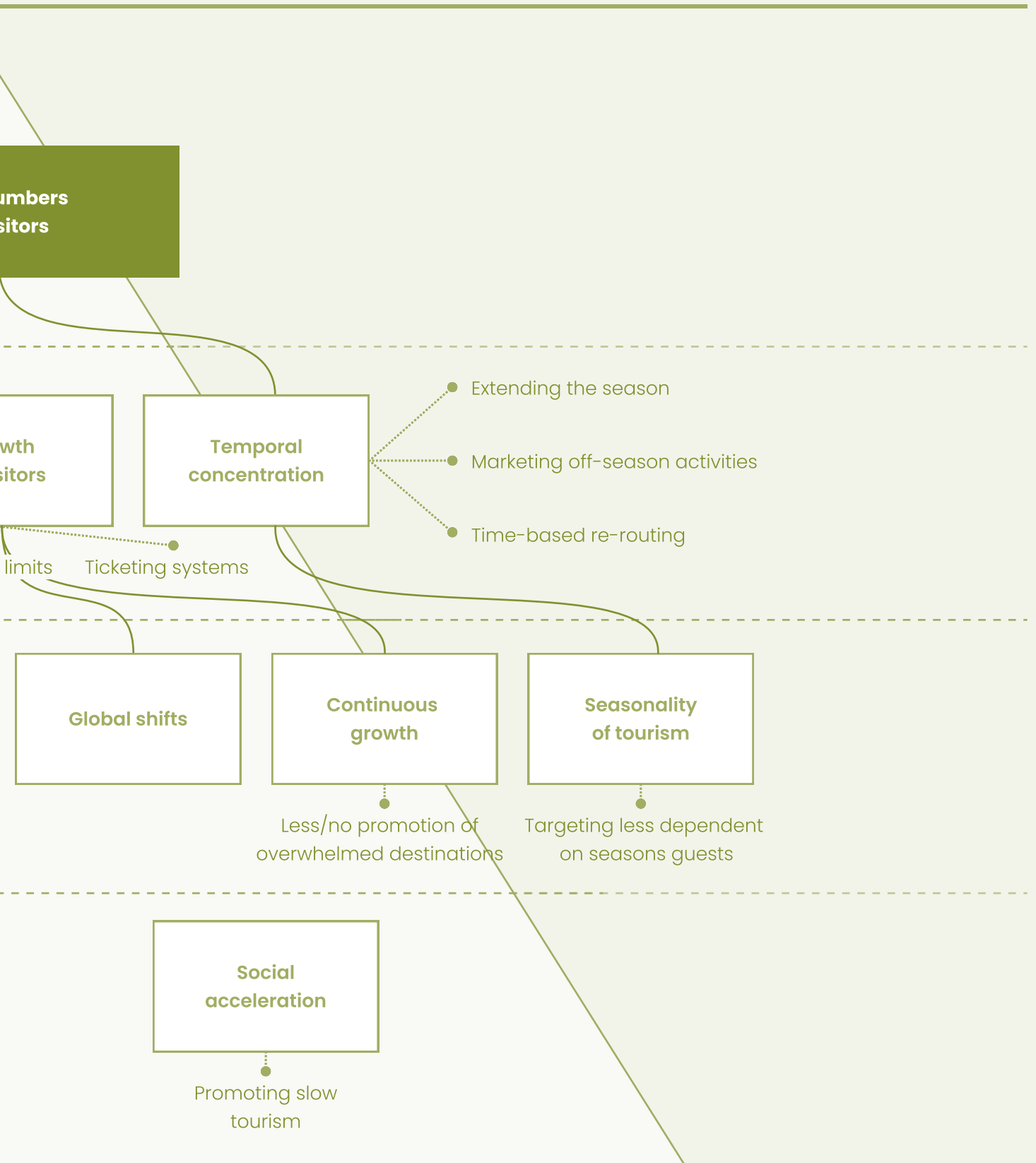
worthiness and safety due to its popularity (Boto-García, D., & Baños-Pino, 2022), and lastly, a **skewed destinations portraits** – a tendency of various actors within the Tourism industry (i.e. tourism operators, destination marketers, travel media) as well as visitors' themselves to represent at the pre-purchase stage destinations as significantly more attractive than they currently are (e.g. excluding the crowds from the depictions) (Lansky, 2019).

Among the **structures** influencing the **second pattern, the growth of visitors**, the literature suggests the **ongoing growth-focused** strategy of various actors within the Tourism industry (i.e. tourism operators and destination marketers) (Dodds & Butler, 2019; Goodwin, 2019; Peeters et al., 2018). Additionally, global demographic, economic, technological and societal shifts in the last decades, such as population growth, middle-class growth, increased accessibility and affordability of travelling due to technological developments (Dodds & Butler, 2019; Goodwin, 2019; Peeters et al., 2018; McKinsey&Company & World Travel & Tourism Council, 2017) are believed to contribute to the pattern mentioned above significantly. Within the **structures** influencing the **third pattern, the temporal concentration** of tourists, the seasonal character of tourism, driven primarily by school rhythm and weather, have been pointed out (Goodwin, 2019; Peeters et al., 2018).

As regards the **mental models** underpinning the aforementioned structures, the growth-focused strategy, and to a certain extent, the honeypot strategy and skewed destination portraits have been suggested to take root in overall **growth mindset** underpinning the current socio-economic system (Dodds & Butler, 2019; Goodwin, 2019; Peeters et al., 2018). The structures such as shortening trips and choosing the renowned and closely located sites can be influenced by, i.e., **increasing pace of life** (Bock, 2015).

Events

High nu
of vis

Patterns

Dynamic visitor itineraries •

Variable or tiered pricing •

New tourists' itineraries and attractions •

Spatial
concentration

Gro
of vis

• Reservations   Arrival

Structures

Long-tail strategy •

Localhood •

'One-size-fits-all'
honeypot strategy

Shortening trips &
bandwagon effect

Skewed destination
portraits

Targeting longer
staying guests

Tailored local
guide recomm.

Accurate inf. about
the destination

Mental models

Growth
mindset

Balancing growth with social and environmental
concerns within planetary boundaries

**umbers
sitors**

**wth
sitors**

**Temporal
concentration**

Extending the season

Marketing off-season activities

Time-based re-routing

limits   Ticketing systems

Global shifts

**Continuous
growth**

**Seasonality
of tourism**

Less/no promotion of
overwhelmed destinations

Targeting less dependent
on seasons guests

**Social
acceleration**

Promoting slow
tourism

3.3. Strategies

The following strategies linked to the factors at the multiple levels described within the iceberg model have been found in the literature. Firstly, as regards the **pattern** level, for the spatial concentration of tourists, strategies such as dynamic visitor itineraries and variable or tiered pricing to ease the traffic and stimulate new tourists' itineraries and attractions have been mentioned; for growth of tourists visits, reducing numbers through arrival limits, reservations and ticketing systems have been found; finally, in terms of tackling temporal concentration, time-based re-routing, extending the season, marketing off-season activities have been referred to (Peeters et al., 2018; McKinsey&Company & World Travel & Tourism Council, 2017).

Next, as regards the deeper underlying factors inhibiting the **structure** level of the iceberg, the following strategies have been linked. Firstly, the 'honeypot' strategy has been suggested to be possible to counteract the **'long tail' strategy** - a measure oriented at providing a broad and diverse offering which could cater for a range of different niche interests (Coldwell, 2017; Girma, 2022). Given the potential for a significantly **greater pool of points of visit**, this focus opens up compared to iconic attractions, as well as the opportunity to segment and **distribute the overall pool of visitors into smaller sub-groups**, the strategy could significantly contribute to spatial spreading; in a similar vein, the **'localhood'** strategy, focused on plain elements of local live as points of the visit could counteract the 'honeypot' strategy and contribute to spatial spreading, given the potential for a significantly **greater pool of points of visit** this focus opens up, compared to iconic attractions (Séraphin et al., 2020). Apart from those, three more strategies aiming at spatially spreading the visitors have been found: a strategy oriented on **providing potential visitors with accurate information about the destination** as a countermeasure to skewed destination portraits (Peeters et al., 2018), a strategy focused on targeting guests inclined to stay in places longer (e.g. long-term 'workation' tourists) as a response to short trips (Haxton & Camacho, 2023), and a strategy focused on **leveraging tailored local guide recommendations**, which could potentially counterbalance the bandwagon effect (Dodds & Butler, 2019).

Furthermore, as regards targeting continuous growth targets, a strategy oriented at having **less or no promotion within already overwhelmed destinations** has been suggested (Peeters et al., 2018). Finally, as per the seasonality of tourism, a strategy focused on targeting guests who are less dependent on seasons (e.g. retirees) has been described (Haxton & Camacho, 2023).

Moving to the last level of the iceberg model, the **mental model**, the following two strategies have been found. Firstly, a strategy oriented at balancing social and environmental concerns with planetary boundaries (Dodds & Butler, 2019) meant to counteract a growth mindset mental model; secondly, promoting slow tourism (Séraphin et al., 2020) meant to address social acceleration.

As highlighted in section 4.1, interventions on 'deeper' levels (system structure, mental models) have a potentially more transformative impact, yet devising, implementing and measuring them can pose a more significant challenge. On the other hand, interventions targeted toward the levels closer to the surface (events, behaviours) can be easier to measure and implement yet have a more incremental impact). Given the above, strategies at the structure level are deemed to have **the most potential for the project**. For spatial congestion mainly, these are the following four strategies: **the 'long tail' strategy, the 'local-hood' strategy, the strategy oriented at providing accurate information about the destination, and the strategy tailoring local guides recommendations.**

Key takeaways

Under the issue of high numbers of tourists lie spatial congestion, continuous growth, and temporal congestion. These, on the other hand, are driven by a number of other factors, i.e., the industry's tendency to focus on iconic attractions and the bandwagon effect affecting visitors' choices. An overview of all the factors can be found in **Fig. 5** in **section 3.2.**

Many strategies for alleviating spatial congestion have been proposed. According to the iceberg model analysis and related theories, the following four have been the most promising ones: the "long tail" strategy, the "local food" strategy, providing accurate information about the destination, and tailoring local guides' recommendations. An overview of all the strategies can be found in **Fig. 5** in **section 3.2.**

Chapter 4

Customer

This chapter dives deeper into individual behavioural factors and strategies underpinning decisions to visit highly- and less-frequented areas.

To yield insights tailored to Withlocals' specific context and obtain context-rich data suitable for the design process's exploratory phase, empirical qualitative research with Withlocals customers is conducted. The analysis is underpinned by theoretical behaviour frameworks.

The chapter begins with a brief literature review of selected behaviour theories. Next, the method and results of empirical research are described. Lastly, a summative overview of the key findings of the chapter is given.

4.1. Behaviour change

One of the theoretical models underpinning behaviour change theories, often referred to in psychology literature, has been the **Ability-Motivation-Opportunity model** (Hughes, 2007). The model has been constructed using fundamental principles from psychology: Motivation, representing the drive toward a behaviour; Ability, encompassing the skills and capabilities necessary for behaviour performance; and Opportunity, reflecting contextual and situational constraints affecting behaviour execution. These components are postulated to exhibit the relationships depicted in **Fig. 6**, with Motivation directly influencing Behavior, subsequently moderated by both Ability and Opportunity (Hughes, 2007).

As Lieren (2017) summarises, **Motivation** can further encompass factors such as personal relevance, benefits and rewards, fears and risks, values and beliefs, inconsistency with attitude, goals and commitments, and social norms. **Ability** can encompass awareness and memory, knowledge, willpower, mood and physical state, self-efficacy, experience and familiarity, habit and routines, resources, as well as physical and mental effort. **Opportunity**, on the other hand, can involve the complexity of information, the amount of information, the external barriers and drivers, the exposure time, distractors, and the control over information. Additionally, according to Verplanken (2018), Opportunity can also include structural factors, e.g. infrastructure or product availability (see **Appendix 3**).

Furthermore, designers can influence the behaviours by implementing a number of **behavioural strategies** into the artefacts and interventions they devise. Cash et al. (2020) give an example of twenty-three such strategies. These strategies, illustrated with **Fig. 7** (p. 37) encompass the use of emotional cues to guide behavior in an intended direction, an establishment of expectations for the preferred behaviors, limiting and stating clearly possible behavior choices, utilizing motivation or guilt to stimulate user in meeting the behavioral commitments, helping to develop a mental model of oneself that promotes the desired behavior, providing rewards upon desired behaviors, imposing punishments upon undesired behaviors, establishing quantifiable objectives to incentivise the desired beha-
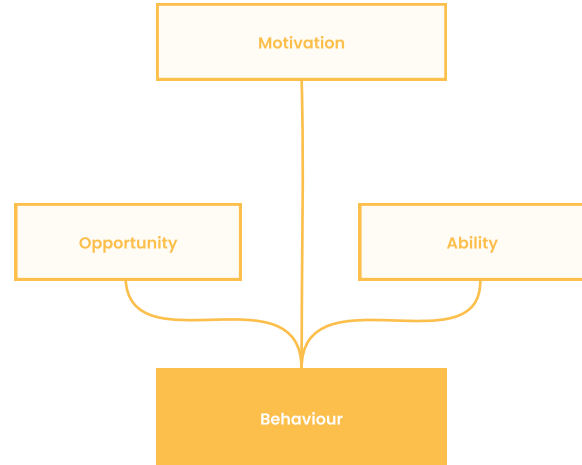
Fig. 6: *AMO model adapted from Hughes (2007)*

vior, supporting with operational and/or psychological knowledge needed to execute intended behavior, giving qualitative and/or quantitative assessment of a behavior in comparison to a standard, making user acquainted with intended behavior by physical or mental rehearsal, making explicit positive/negative implications of intended/unintended behaviors, introducing a stimulus that guides the desired behavior sub/consciously, emphasizing actions of peers and leveraging social conformity need to stimulate intended behavior, leveraging reputable expert/authority to encourage intended behavior, introducing an additional step to shift subconscious actions to conscious ones, utilizing metaphors and associations to make intended behavior straightforward and engaging, making the intended behaviors conspicuous and prominent, making the intended action default or mandatory, limiting available options to steer the intended behavior, simplifying the intended behavior to enhance its adoption, presenting a different action to divert attention from unwanted behavior.

Evoke emotions

Impose expectations

Set standards

Enhance commitment

Help construct self-image

Provide reward

Provide punishment

Set goals

Provide guidance

Provide feedback

Practice behaviour

Present consequences

Prime users

Use triggers

Tell/show what others do

Consider messanger

Validate action

Present inf. figuratively

Make it salient

Require action

Selectively present choices

Make it simple

Divert action

Customer

4.2. Method

As regards the empirical research, a qualitative approach in the form of informal conversations, deemed suitable for the project's exploratory objective (Patton, 2002) has been deployed. Twelve online interviews of 30-60 minutes duration have been conducted. Topics such as visiting beaten-path areas and off-the-beaten-path areas have been explored. The researcher used probing questions throughout the sessions to uncover the links between the behaviours and its underlying factors. The structure of the sessions followed the path of expression (Sanders & Stappers, 2013), starting with present travelling choices, then moving to past travelling choices, and finally, to the upcoming trip choices. To recruit the participants, given that current or prospective customers of Withlocals have been sought, the Withlocals customer base has been used. Based on an initial screening questionnaire (see **Appendix 5**), maximum variation (Patton, 2002) in terms of participants' age, origin and destination for the upcoming trip has been aimed for. The demographics overview has been attached in **Appendix 4**. As regards the data collection and analysis protocol, the interviews have been recorded, anonymised and transcribed; the analysis has been conducted in line with guidelines for qualitative studies (Glaser et al., 1967; Gioia et al., 2013; Sanders & Stappers, 2013). Namely, for each transcript, relevant quotes have been chosen and distilled into first-order codes, which were then, upon iterative analysis, grouped into overarching second and third-order themes and assigned to the aforementioned behaviour factors (see section 4.1).

Customer

4.3. Results

4.3.1. CO-OCCURANCE

Before discussing the central part of the research findings – the behaviour factors underpinning Withlocals customers' decisions to visit off-the-beaten-path areas and beaten-path area - an aspect of co-occurrence, which has been revealed through interviews ought to be brought to the attention.

That means that decisions to visit off-the-beaten-path areas and beaten-path areas do not seem to be mutually exclusive for the target group. In contrast, both can occur within the same customer and even on the same trip. This can be illustrated with the following examples. For instance, participant 10, during her trip to Norway, took a cruise on the fjords via "the popular route", yet afterwards, travelled to under-visited Oppdal. As she explained, she often tries to maintain a mix of beaten-path and off-the-beaten-path areas in her itineraries. Similarly, participant 4 tries to combine "what the country is famous for" with "local adventures", which off-the-beaten-path areas bring.

4.3.2. OFF-THE-BEATEN-PATH: BEHAVIOUR FACTORS

Nine factors have been identified as behavioural factors underpinning the participants' decision to visit off-the-beaten-path areas: six related to motivation and four related to opportunity (see **Fig. 8**, p. 43).

4.3.2.A. Motivation

VALUES AND BELIEFS

As interviews suggest, one of the factors influencing the decision to visit an off-the-beaten-path areas can be holding dear a value of **individuality**. In this context, this manifests through having original experiences that differ from the most prevalent ones for the place of visit – "[...] just experiencing things that I guess not everyone gets to experience" (P1). As participant 12's statement below further illustrates, some informants believe that visiting off-the-beaten-path areas may be more likely to allow for such an opportunity: "everyone is having the same thing [...] I don't want to go through and go to these same places [...] So I much rather be in smaller towns or just experience a different aspect of a major city".

GOALS AND COMMITMENTS

Another factor influencing the decision to visit an off-the-beaten-path area can be an aspiration to **experience the place of visit more genuinely**, as

interviewees referred to it. According to participants' understanding, stepping away from well-established tourist routes supports this goal, as it allows one to witness an unstaged local life and, thus, grasp a more representative, more authentic picture of the visited country. To illustrate, participant 11, for instance, states: "I do not want to go down to the south coast or the Costa Brava [...] we'll just hire a car and [go] somewhere that's quite typically Spanish [...] somewhere that's just small and local [...] towns and places that represent the country, I suppose [...] What we want is kind of to see what Spain's really like, what people are like, what it's like to really live there. [P11]). As both the above and the below statements indicate, this sense of genuity has been, in some cases, referred to in opposition to an experience at well-established touristic areas, where a sense of commerciality and ingenuity is expected: "I just hate when you go somewhere, and there are thousands of people [...], and you can tell it's kind of being commercialised" [P1].

BENEFITS AND REWARDS

Following research insights, another factor influencing the decision to visit an off-the-beaten-path destination has been the potential benefit/reward of experiencing a **surprise and/or an adventure** - "I think getting off-the-beaten-track [...] you have more freedom and more adventure [...] and you end up just coming across a lot of surprises as well". As Participant 1 suggests, this might be due to having significantly fewer expectations for the site compared to sites with considerable renown. Furthermore, the consequent benefit of experiencing such surprise and/or an adventure, as Participant 1 further suggests, can be, for instance, making new connections with other people, which can lead to a more positive experience.

FEARS AND RISKS

As interviews suggest, certain fears and risks can influence the decision to visit an off-the-beaten-path destination, namely, a **fear/risk of being bored and/or disappointed**. These fears were manifested primarily by participants' recurring concerns regarding worthwhile activities and/or attractions at the destination ("I think the question in my head is [...] just are there any

interesting things?" [P11]), which, as participant 8 explains, mitigate the risk of boredom ("Neither of us can really sit on a beach. We're not sit-on-the-beach-people. We have to have other things to do"). As participants' accounts suggest, this concern can be exacerbated by low information availability regarding off-the-beaten-path areas ("I've really been trying to think...how to visit those two cute towns [...] I'm just not finding as many tours or something" [P6], "Would that be a full day? What would they recommend doing there? Because I haven't been there. So I don't know anything about it aside from it online..." [P3]).

4.3.2.B. Opportunity

EXTERNAL BARRIERS AND DRIVERS

In line with the analysed data, five external barriers decreasing the likelihood of visiting an off-the-beaten-path areas have been identified: travel time, logistics, costs, availability and credibility of information. Firstly, among the five, **long travel time** to an off-the-beaten-path area has been mentioned more frequently than the other four. The significance of this factor has been further stated to be partially related to participants' limited trip duration ("It's a little bit more difficult to get to [...], and it was just not going to be possible to do it in one day [...] we just don't have enough time." [P1]). Secondly, regarding **logistics**, the uncertainty regarding viable transportation options manifested with recurring questions: "How do we travel and get to interesting places?" [P11] was often mentioned. Based on further participants' accounts, this can be related to both factually limited infrastructure, as in the case of Participant 1's would-be tour to Vietnamese cliffs ("It's a little bit more difficult to get to. There's not as much infrastructure", P1), as well as to low familiarity with the local transportation system, as in the case of Participant 9 tour around Italy ("We were doing train travel, all through the South part from Rome, all through the South and then back up to Florence. I had no idea what I was doing with that.", P9). Thirdly, the **costs** were mentioned in the context of organised tours to less-frequented areas. To illustrate, for instance, participant 1 considered an organised tour to a less-frequented areas, yet the fact that the offering was significantly more expensive

than the analogous on-the-beaten-path tour contributed to the participant's decision to resign from booking the tour.

Furthermore, as per **the availability of information**, this regards finding the off-the-beaten-path areas. To illustrate, for instance, participant 1 began with extensive reading on the potential itinerary options, an activity on which she said she usually spends a significant amount of time ("planning a trip if not working" [P1]). Having learnt about the popularity and crowdedness of the initially considered attraction site, the participant then proceeded with an advanced keywords search, which revealed the niche alternatives, which she then further screened with the parameters vital to her. As this example indicates, the information about off-the-beaten-path areas is not always readily available and might require time-consuming, advanced searches. Finally, **the credibility of information** was mentioned in the context of finding the off-the-beaten-path areas and ensuring their worthwhileness. As Participant 12 explains, information on niche spots requires reaching to niche sources, which, in contrast to well-established sources, do not guarantee trustworthiness ("It's harder to find things that aren't touristy [...] It's really hard to believe whether or not a site is reputable with information, or if this is actually correct").

As regards the external drivers related to visiting an off-the-beaten-path areas, the **link to interests** was a recurring theme. To specify, the participants were more likely to visit the off-the-beaten-path areas if activities or attractions there were compatible with their likings. For instance, participant 1 was driven to visit an unknown farm because of her companion's interest in agriculture ("So it's just outside of Hanoi, and it's this little farm tour [...] my husband has a background in agriculture so he's really interested in that site").

4.3.2.C. Mitigation

As accounts suggest, some factors can mitigate certain perceived barriers or fears related to visiting off-the-beaten-path areas. Firstly, the alignment of activities or attractions with **interests** could decrease the perceived barrier of **long travel time**. To illustrate, for instance,

participant 5 and her companions decided to drive a significant distance to an off-the-beaten-path area because of a performance of one of their favourite artists that they discovered would take place there. Secondly, the alignment of activities or attractions with **interests** could also decrease the fear/risk of **boredom/ disappointment** related to activities or attractions in an off-the-beaten-path area. This can be illustrated with an example of Participant 10, who intentionally searched for activities or attractions matching the personal interests of her and her companions – in this case, seeing a wild animal they were interested in – in order to pick an off-the-beaten-path area and increase its attractiveness for them. Furthermore, as data suggest, **local experts' recommendations** could contribute to minimising all four: the fear/risk of **boredom/ disappointment** related to activities or attractions in an off-the-beaten-path area, barrier related to **availability** and **credibility** of information, and the barrier related to **logistics** and participants' limited understanding thereof. This is because such local experts' recommendations have the potential not only to provide the participants with information, which lack is underpinning their fears and barriers, but also increase their confidence as regards the worthiness of the visit while being a credible and up-to-date source.

4.3.3. BEATEN-PATH: BEHAVIOUR FACTORS

4.3.3.A. Motivation

VALUES AND BELIEFS

Conversely to values and beliefs motivating visits to off-the-beaten-path areas, one of the factors influencing visiting beaten-path areas has been having engrained the value of **conformity**. This is meant by having a compulsion to conform to generally adopted social norms, which, in this context, manifests through attending the prevailingly visited sites and attractions. As the firm wording of Participant 9's account illustrates, such compulsion can be a strong influencer as regards the destination choice: "I mean, if you go to Rome, you're going to see the Coliseum. You're going to see the Forum... you've got a list of things that... I'm not going

to go to Rome and come home and tell my friends that no, I didn't see the Coliseum, I didn't go to the things that you should do..." [P9].

GOALS AND COMMITMENTS

As data suggests, visiting a beaten-path area might also be influenced by one of the two goals - an intention to **be dazzled** and an intention to form an opinion. Regarding the first goal, an intention to be dazzled, in this context, refers to being impressed by an attraction at the destination or destination in general. As can be noticed in Participant 10 statement: "So we went to visit them for tonight, and then the popular route, cruise on the fjord...to Bergen [...] so yes, we visit the popular places normally because they are beautiful...", at the bottom of that intention lies an assumption that a popularity of something induces its worthwhileness - mentioned in previous chapter as "bandwagon effect".

The second goal, the intention to **form an opinion**, should also be understood in the context of an attraction at the destination or destination in general. Similarly to the first goal, the main trigger behind the intention has been the recognition of an attraction or destination within a wider public. In contrast to the first goal however, this one is not accompanied by an expectation of a positive experience but rather by a more neutral curiosity. Additionally, as interviews suggest, such framed intentions do not trigger as high motivation levels as, for instance, a conformity-driven urge to visit the site. This can be observed, for instance, in the case of Participant 4. As the interviewee explained, she is willing to visit the beaten-path areas, as she wants to "see why people give certain importance to certain stuff more". Yet, compared to her plan to visit the off-the-beaten-path areas, the former goal is secondary to her. As she explains, "If you say that there is no chance of doing this or that stuff, like the normal stuff, and I might have to miss it, I won't have a bad heart to it".

FEARS AND RISKS

As regards the fears and risks related to visiting beaten-path areas, the following two have been recognised

based on the interviews - a fear/risk of disappointment and a fear/risk of exhaustion. In terms of the former, the **risk of disappointment,** discrepancies between the initial high expectations and the actual state of the destination are suggested to play a role. More specifically, the data suggests that high expectations might be influenced, for instance, by the renown of the site and/or the idealised portraits of the site on one side, whereas the actual state of the destination contributing to disappointment might be, for instance, crowdedness and/or commercial atmosphere of the site. The misbalance between the expectations driven by the site's renown and its actual state, including crowdedness and/or commercial atmosphere, which led to disappointment, can be illustrated by the participant's experiences with the Eiffel Tower. As the interviewee recalls, a visit there is an obvious part of the Paris itinerary, given the tower's renown ("Of course you do... It's Paris, you have to see that Eiffel Tower"), which, as established, is likely to trigger high expectations. Yet, having visited the site and having encountered the commercial atmosphere ("... there's lots of people selling Mini Eiffel Towers...") and the crowds ("... there's just thousands of people, and it's just a little bit crazy") resulted in a disappointment ("I think it's always a little bit disappointing when you have experiences like that. it's not very fulfilling."). Furthermore, as regards the misbalance between the expectations driven by the idealised portraits of the site and the actual state of the site, including crowdedness and/or commercial atmosphere, this can be illustrated with an experience of Participant 1 with Ha Long Bay, a popular tourist destination in Vietnam. As the interviewee explains, the location has been portrayed as an idyllic site ("...When you see it, it's very, very famous and it's beautiful"), yet her own research made her realise that crowds and trash are likely to be present at the site ("But I did a bunch of research on it and I realised it's very touristy. It does not look like this. When you go there, there are just tons and tons of people. There's, unfortunately, a lot of trash in the water"), which she believed would lead to disappointment ("...not very nice...so I was like, I think we don't have a lot of time. I feel like we're gonna regret spending a whole day going there").

As regards the **fear/risk of exhaustion**, similar to the case of disappointment, the data suggests this can be influenced by crowds and the commercial atmosphere at the site. Additionally, in the case of this fear/risk, the size of the destination might also play a role. To illustrate, for instance, participant 11 stated that Barcelona, similarly to all other "big capital cities", is "always quite interesting to see" but "a bit exhausting, really", further explaining how her previous visit, during which she encountered a plentiful of parties, and commercial atmosphere ("lots of stag parties, lots of massive drinking parties, lots of fish and chips and that kind of thing"), contributed to her forming an opinion about the city, and making her go for a destination "that's just small and local" instead.
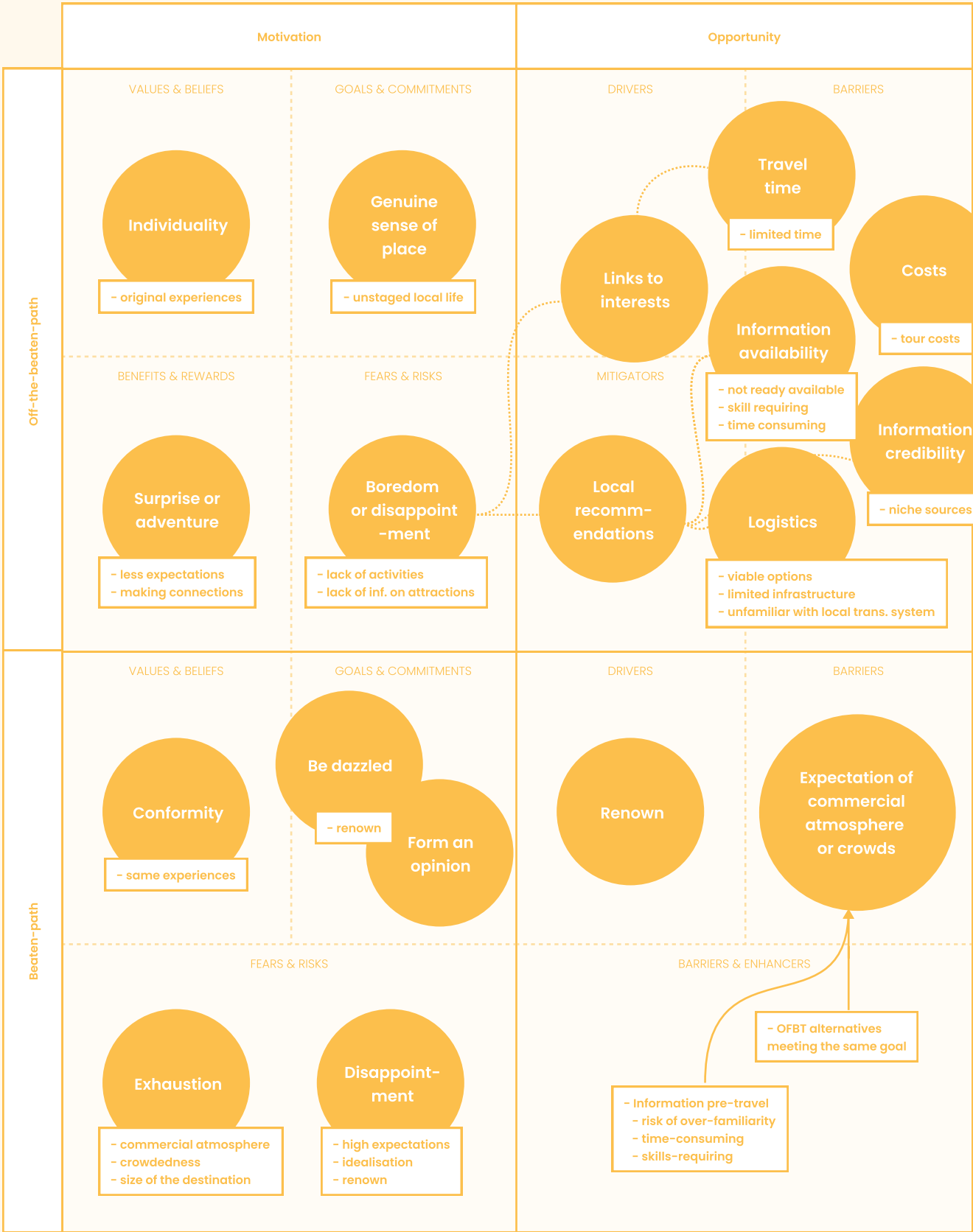
4.3.3.B. Opportunity

EXTERNAL DRIVERS AND BARRIERS

As touched upon in the previous section, the primary driver to visit, in the context of beaten-path areas, is its **renown**. Yet, the expectation of crowds, commercial atmosphere, or the big size of the destination, which might contribute to disappointment and/or exhaustion, may contribute to triggering a change of the decision from a beaten-path area to an off-the-beaten-path area. As the previously discussed example of Participant 1 and her trip to Vietnam illustrates, coming across **information** about it at the stage when the itinerary might still be modified may contribute to triggering such a decision change. Yet, the data also reveals two complications. Firstly, as the example of Participant 1 suggests, finding information about the touristiness of the destination might require considerable time and skills. For instance, as the participant said, she "spends so much time planning and researching trips", "has spreadsheets and all kinds of other planning materials", and "reads a lot of reviews or blog posts", which allows her to understand better if the place is worth a visit. In the case of Ha Long Bay, she also implemented research techniques ("...targeted Google search where I'm like, 'Ha Long Bay, touristy'") that suggest a significant level of tech-savviness, which other users might lack. Secondly, as an example of participant 12 illustrates,

such extensive research about the destination performed by visitors themselves might lead to a feeling of overfamiliarity with the destination, which in turn, might result in seeing the visit as redundant. This is manifested through statements of the participants as follows, where she states that she does not want to "go to these same places" if she "already knows exactly what she's going to experience".

Along with coming across information about the factors that might lead to disappointment, encountering information about **alternative** off-the-beaten-path destinations that **meet the same goal** as the initial destination but involve fewer factors that might trigger disappointment might further drive visitors to change their decision. This can be observed in an example of Participant 1 and her trip to Vietnam again. Specifically, as the interview revealed, having learnt that Ha Long Bay will likely involve crowds and a commercial atmosphere and coming across a similar site that offers an analogous but quieter experience ("still has all the same views but it's just quieter", P1), the participant became interested in changing their decision. Yet, in this case, barriers, risks and fears, as described in section 4.3.3, might stand in the way.

Fig. 8: Behavioural factors underpinning decisions to visit off-the-beaten-path vs. beaten-path areas (source: author)

Motivation

Opportunity

Off-the-beaten-path

VALUES & BELIEFS
- **Individuality**
  - original experiences

GOALS & COMMITMENTS
- **Genuine sense of place**
  - unstaged local life

DRIVERS
- **Travel time**
  - limited time
- **Links to interests**

BARRIERS
- **Costs**
  - tour costs
- **Information availability**
  - not ready available
  - skill requiring
  - time consuming

BENEFITS & REWARDS
- **Surprise or adventure**
  - less expectations
  - making connections

FEARS & RISKS
- **Boredom or disappoint-ment**
  - lack of activities
  - lack of inf. on attractions

MITIGATORS
- **Local recomm-endations**
- **Logistics**
  - viable options
  - limited infrastructure
  - unfamiliar with local trans. system
- **Information credibility**
  - niche sources

Beaten-path

VALUES & BELIEFS
- **Conformity**
  - same experiences

GOALS & COMMITMENTS
- **Be dazzled**
  - renown
- **Form an opinion**

DRIVERS
- **Renown**

BARRIERS
- **Expectation of commercial atmosphere or crowds**

FEARS & RISKS
- **Exhaustion**
  - commercial atmosphere
  - crowdedness
  - size of the destination
- **Disappoint-ment**
  - high expectations
  - idealisation
  - renown

BARRIERS & ENHANCERS
- OFBT alternatives meeting the same goal
- Information pre-travel
- risk of over-familiarity
- time-consuming
- skills-requiring

Key takeaways

Unlike some customer preferences, customer desires in terms of visiting beaten-path vs. off-the-beaten-path areas are fluid. The customers do not limit themselves to one mode of visiting. Instead, both might occur between or even within the trips.

Choosing to explore an **off-the-beaten-path** area may arise from a desire for a unique experience, which allows one to set oneself apart from the crowd. Such a choice can also be motivated by an ambition to connect with the authentic essence of a place, which witnessing unstaged local life can, in tourists' opinion, facilitate. Furthermore, off-the-beaten-path destinations frequently offer surprises and a sense of adventure and connect with tourists' personal interests, driving their choice to visit. However, concerns about potential boredom or disappointment can arise due to a perceived lack of activities or limited information available for these destinations. Long travel times, complex logistics, high costs or unreliable information can further deter travellers from choosing such a destination. Despite these barriers, certain strategies can help mitigate concerns. Aligning with personal interests can alleviate worries about travel time and potential disappointment. Moreover, recommendations from local experts can help address concerns about boredom and the availability and credibility of information.

Choosing a popular, **beaten-path** area often arises from a desire to experience what others have and conform to social norms and/or to form one's own opinion about it. The anticipation of an impressive experience also influences this choice. Conversely, concerns about crowds, a commercial atmosphere, and the destination's size can deter travellers from choosing such destinations. Discovering this information beforehand might lead them to reconsider. Additionally, learning about alternative areas that offer similar experiences with fewer drawbacks could further sway their decision unless they encounter multiple barriers, as stated above. On the other hand, it should be noted that extensive research about the area, which would warrant coming across the information about the crowds and other drawbacks early, can be time-consuming and risks making travellers overly familiar with the destination before their visit, limiting the surprise and novelty effects.

Chapter 5

Company

The following chapter delves into the client's context. Specifically, it offers a brief overview of the company's product portfolio and its categorisation, market presence, market segments, values, SWOT analysis, and strategic goals overview. The chapter concludes with key findings summarised.

The insights were gathered through a mix of informal, semi-structured conversations and workshops with 12 Withlocals employees (see **Appendix 7**), complemented by internal documents, datasets, and platform analysis. Post-summarisation, in line with qualitative research practices (Ravitch et al., 2019), the researcher validated the accuracy of conclusions with the client ('member checks').

Company

5.1. Portfolio & market

5.1.1. PORTFOLIO

Withlocals offers two main types of offerings: **Tours**, which focus on exploring and learning about a destination or attraction, and **Activities**, which emphasise hands-on activities like dance or cooking classes. All offerings are **private**, allowing either individuals or groups who know each other, such as friends or family, to participate. Additionally, the company dabbled with online trip-planning consultations. Yet, the offering has been temporarily halted.

Furthermore, the Tours can be distinguished into Withlocals Originals and Host Offers. **Withlocals Originals** are structured tours with predefined elements such as duration, price, number of points visited, travel time, and snack options. Hosts have some flexibility in choosing, for example, specific points of interest, the route, or snack types within this framework. In this variant, the guests can choose among multiple hosts to conduct the tour for them. In contrast, **Host Offers** are entirely unique proposals created by individual hosts themselves, covering everything from the title and photos to the itinerary and pricing. Consequently, the guests have no option to change the host.

5.1.2. MARKET PRESENCE

When considering regional market presence, Withlocals primarily offers tours in **Western and Southern Europe**, i.e. in countries like **Italy, France** and **Spain**, as well as in **Southeast** and **Pacific Asia**, including **Thailand** and **Japan**. While they do have a smaller presence across other continents, these regions remain their main focus.

In terms of destination types, Withlocals predominantly operates in '**Tier 1 destinations**', which include **major cities, capitals**, and **popular tourist hubs**. The company is now expanding into 'Tier 2 destinations', encompassing regional cities and emerging tourist areas. Additionally, they have expressed interest in venturing into 'Tier 3 destinations', such as rural or off-the-beaten-path locations. While they offer some experiences in these areas through Host Offers, they have not officially launched there yet.

5.1.3. TARGET SEGMENTS

In terms of market segments, at the moment, Withlocals primarily caters to **Westerners** on the more affluent side, predominantly **English-speaking**, with a strong focus on **North America** and **Western Europe**. While there is a minor customer base from other regions, they make up a smaller portion of the overall clientele. Consequently, the majority of customers are either **working professionals** or **retirees**, with the largest age group falling between 30-65 years old. However, there are exceptions with younger and older travellers. The customers overall can range from **solo travellers** and **couples** to **families** and **groups of friends**.

Customers' travel expectations span a spectrum between seeking **unique local experiences** and expecting more **standard experiences**. Few customers fall at the extremes, with most landing somewhere in the middle. More seasoned travellers, particularly those with backpacking or living abroad experience, tend to favour local and authentic experiences. In contrast, less experienced travellers may lean towards more standard experiences, although this distinction can be fluid.

In terms of preferences, customers generally gravitate towards either **safety and convenience**, often opting for European destinations or **adventure**, favouring Asian destinations. Families with young children or less experienced travellers typically prefer safer and more convenient options. In contrast, other travellers may alternate between both types of destinations, choosing one for one trip and the other for the next.

Company

5.2. Value analysis

Withlocals offers a spectrum of values through its product-service system. These are categorised below with the assistance of Bain & Company Inc.'s (2018) **"Elements of Value"** framework, outlining four tiers of value: functional values, emotional values, life-changing values, and the social impact values (bottom-top). Each tier, akin to Maslow's hierarchy of needs model,

represents a level of its importance to the recipient. The framework includes exemplary generic values (see **Appendix 8**), which guided the final Withlocals' values analysis described and depicted (see **Fig 9.**) below. In line with the project's focus, the analysis orients on the values that the company offers to its **customers**.
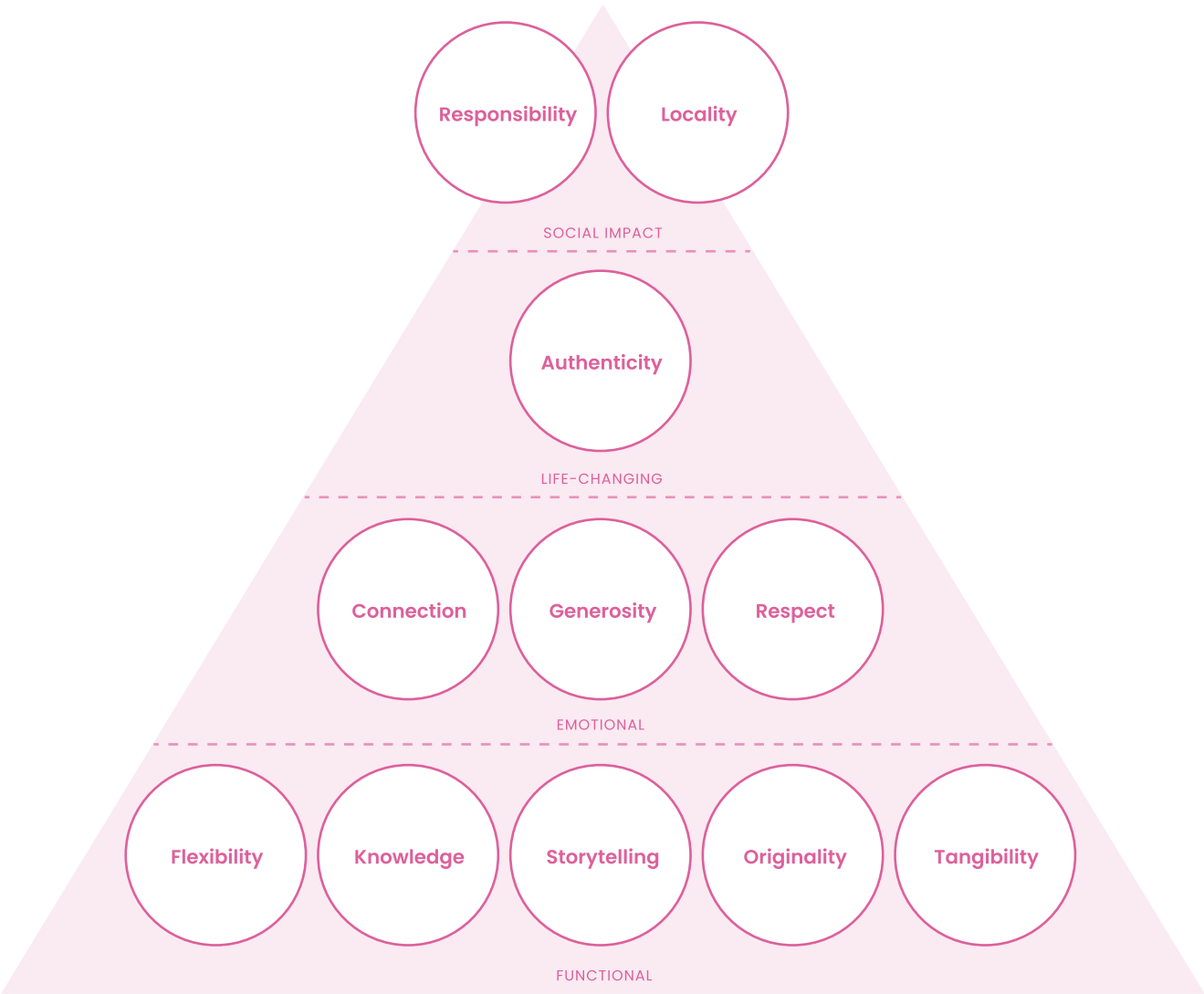
Fig. 9: *Withlocals values analysis based on Bain & Company Inc.'s Elements of Value framework (2018)*

Starting at the **functional level**, Withlocals offers five distinct values to its customers. Foremost among these is **flexibility**, which pertains mainly to the experiences the company provides. Tours can be tailored according to various factors such as weather, crowd levels, guest preferences, past experiences, and abilities. This adaptability is rooted in the private nature of the tours, Withlocals' guiding principles, and the hosts' flexible approach. Next to that is the aspect of **knowledgeability**. Withlocals aims to recruit local hosts renowned for their extensive knowledge of their country, region, or city, often supplemented by expertise in specific areas like architecture, history, or food. This ensures that guests receive enriching experiences filled with valuable insights and information. Furthermore, there is an aspect of **storytelling**. The company strives to attract hosts who excel in creating captivating stories about their areas, ensuring an engaging experience for the guests. Additionally, there is the aspect of **originality**, providing guests with a sense of uniqueness. Within the Withlocals portfolio, there are distinctive experiences such as personal shopping with a Vogue journalist or touring Rome in a classic Fiat 500, among others. These unique experiences are particularly prevalent in the Hosts Offering. The final functional aspect is **tangibility**. As previously mentioned, Withlocals' Activities component emphasises hands-on experiences like workshops and classes. This approach enables customers to engage with the visited destination in a more immersive manner.

At the **emotional level**, one of the values offered is **connection**. Throughout the tour, guests and hosts frequently establish personal bonds. As the tour progresses, hosts often share anecdotes not only about the destination but also about their interests and personal experiences with the place. They are also keen to learn about the guests' interests and experiences from their home countries. Withlocals fosters these interactions through the private tour format, which allows for more meaningful connections compared to group tours. They also promote this approach in host training. Additionally, the option for guests to choose

their host further facilitates this, as guests can select the individual who resonates most with their interests and personality. Additionally, **generosity** is of value. Many Withlocals hosts take proactive steps to assist their guests beyond the official tour. They often offer advice on logistics, other worthwhile locations to visit, local customs, and more. Withlocals also encourages this behaviour among new hosts through their education platform. Finally, there is an aspect of **respect**. Withlocals provides hosts with guidance on how to ensure that discussions about values, cultural differences, or political views remain respectful to all parties. Furthermore, they promote host knowledge sharing on local customs to foster respectful behaviour at the destinations.

On the **life-changing** level, an emphasis is placed on **authenticity**. Withlocals achieves this by involving local guides who incorporate local stories, cuisine, and venues that reflect the destination's culture into their tours. By including visits to local cafes and markets and participating in activities typical of the community, Withlocals endeavours to offer travellers a more genuine travel experience compared to group tours.

Finally, at the level of **social impact**, two values can be identified. The first among these is the value of **responsibility**. Withlocals implements various sustainability policies, among others, prohibiting the involvement of animals and child labour in their tours and offsetting their carbon footprint. The company also promotes sustainable practices among hosts through training, encouraging actions like obtaining community agreements before visiting local spaces and donating leftover food to those in need. Moreover, it prioritises supporting the **local** economy by engaging local guides and small and medium enterprises in their tours, thus facilitating economic support for the community. Second is the aspect of locality. By engaging local guides and small and medium enterprises in their tours, Withlocals prioritises supporting the local economy and thus facilitating economic support for the community.

5.3. SWOT analysis & goals

5.3.1. SWOT ANALYSIS

5.3.1.A. Strenghts

Within the project context, Withlocals exhibits several key **strengths** that underpin its success. Foremost among these is its **scalability**, driven by the Withlocals Original framework discussed earlier in this chapter. The framework's universality and flexibility allow Withlocals to expand into new destinations with limited effort, maintaining control over portfolio without restricting the autonomy of their hosts. This operational 'lightness' equips Withlocals for swift growth and expansion, representing a significant competitive advantage. Notably, many competitors have not achieved comparable success in scalability. In addition to scalability, Withlocals also benefits from a **strong relationship with its hosts**. The business model, which
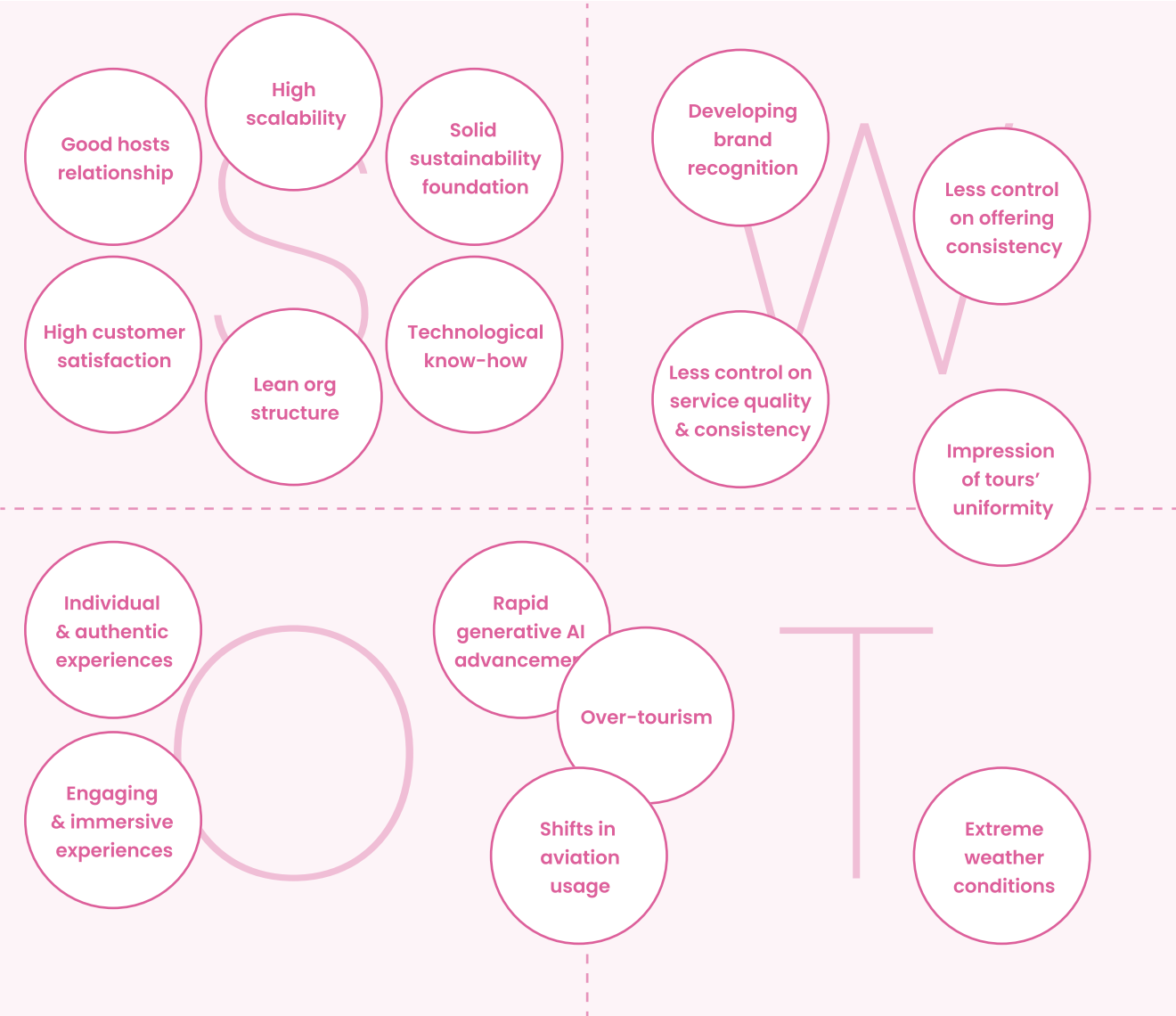
Fig. 10: *Withlocals strengths, weaknesses, opportunities and threats analysis (source: author) based on SWOT model*

prioritises host autonomy and personal connection, along with the organisation's overarching philosophy of treating hosts as partners, significantly strengthens this relationship. Locals' fair and competitive compensation policy and frequent feedback moments with the hosts further contribute to their satisfaction. This satisfaction not only positively affects host retention but also extends to the customer experience, enhancing the quality of tours provided.

Next to that, Withlocals excels in maintaining high **customer satisfaction**. The company boasts impressive metrics, with only 2% of reviews being negative and a high Net Promoter Score (NPS) of 85, along with favourable scores for value for money. Locals' business model, which prioritises personalised experiences for individuals and small private groups, along with the high quality of hosts, likely contributes to this high level of customer satisfaction.

Another strength of Withlocals lies in its substantial **technological expertise** and **lean organisational structure**. Their proficiency in technology distinguishes them in the market, providing leverage in partner negotiations and positioning them to capitalise on emerging technological shifts as innovation opportunities. Additionally, their lean structure enhances their agility, allowing them to respond swiftly to market changes and navigate the persistent uncertainty of today's business environment effectively.

Finally, Withlocals has already begun building a solid foundation in **sustainability**. The company has conducted foundational **research**, implemented several **policies**, attained and maintained B-Corp **certification**, and established **connections** with other sustainability-oriented tourism companies. This positions Withlocals well to adapt to potential shifts in customer preferences toward sustainability.

5.3.1.B. Weaknesses
Within the project context, there are also few soft spots

that can be identified in Withlocal's current way of operating. The first issue is the **still-developing brand recognition**. While the company is a leading player in the private tours market, this sector represents only a small fraction of the overall tour operators and booking platforms market. Consequently, brand recognisability remains limited. As a result, Withlocals relies significantly on collaborations with more established partners (e.g., Tripadvisor, GetYourGuide) to attract customers. This reliance is **unfavourable for their revenue model,** as it requires paying significant commissions per booking to these partners. Additionally, it imposes service flow limitations (e.g. restricted chat options) compared to booking directly through Withlocals, which can affect the customer experience. Furthermore, a significant portion of direct traffic to their platform is generated through paid advertising, which similarly impacts their revenue structure.

Another aspect is that Withlocals operates as a platform business, **relying on contractors and freelancers** rather than traditional employees to provide tours. While this model offers benefits such as cost efficiency and flexibility, it also presents certain challenges. With less managerial oversight and varying levels of commitment from freelancers, **occasionally, the quality and consistency of the service can be compromised**. Additionally, the limited oversight means the company often **learns about negative experiences late**, only after a tour or even an entire trip has concluded, making damage control more challenging.

Finally, there is an aspect related to **the structure of Withlocals' portfolio** (Withlocals Originals and Host Offers) and **their influence on brand values and value proposition communication**. As previously mentioned, Withlocals Originals offers several advantages, including scalability and portfolio control, striking a balance between guiding and empowering the hosts. However, a weakness is that due to its uniform structure, the experiences can appear, to an extent, ready-made or generic, potentially reducing their attractiveness and

perceived value to customers. This may impact new customer acquisition and sustainability perceptions. On the other hand, Host Offers can be more specific and appear more unique, but they lack the scalability crucial to Withlocals' model. Additionally, the limited review process for Host Offers gives hosts significant freedom in presenting their tours, yet can result in inconsistent and sometimes conflicting communication of Withlocals' brand values and value proposition.

5.3.1.C. Opportunities

Among the potential opportunities on the near horizon are shifts in customer preferences toward more **individual** and **authentic travel experiences**, as well as a growing interest in engaging in leisure activities such as workshops and classes. Withlocals already has a strong foundation in these areas, positioning the company well for continued success in meeting these evolving demands.

Furthermore, given Withlocals' technological expertise, also the recent **rapid advancements in generative AI** present significant opportunities. If a relevant and robust strategy is developed, these changes could greatly benefit the company. Potential opportunities include i.e. optimising efficiency through aided content creation and revision, generating photos, and exploring new business avenues such as on-the-fly translation to overcome language barriers for non-English-speaking guests. While these advancements might introduce new competitors who better capitalise on AI developments, Withlocals' strong technological foundation positions it well to leverage these innovations effectively.

5.3.1.D. Threats

Among the potential threats to Withlocals' business, two are particularly relevant to the project context. First, there is considerable uncertainty regarding regulation and customer preferences concerning **aviation** in the long term. This is driven by the significant carbon emissions produced by flights and the increasing sustainability awareness in the West. Withlocals currently focuses primarily on intercontinental travel,

which is challenging to replace with less carbon-intensive transportation options due to the distances involved. This presents a significant question for the future of their business model. However, with a timely and appropriate response, this threat could be mitigated or even transformed into an opportunity.

Second, the implications of climate change, such as droughts, floods and **extreme weather conditions**, along with the impact of over-tourism on destinations, pose substantial risks, as already outlined in the first chapter. These factors are likely to disrupt current destination leadership and visitor flows in the coming decades. The outcome will largely depend on how well Withlocals prepares for and adapts to these changes.

5.3.2. STRATEGIC OBJECTIVES

Overall, the most important priority for Withlocals in the coming years is continuous growth, primarily through **market penetration and expansion**. In the immediate future, this involves expanding into new Tier 2 and Tier 3 destinations and developing both supply and demand in these areas, as well as growing supply and demand in destinations in which Withlocals is already present. Gaining a deeper understanding of other market segments, such as younger customers, is further on the horizon.

Secondary priorities include further developing **sustainability** strategy and enhancing the **customer** and **host experience**. For sustainability, e.g. exploring ways to make tours more accessible to people with mobility limitations or cognitive disabilities and engaging underserved communities, such as women in certain destinations or rural communities in specific areas, has been considered. To improve the customer and host experience, optimising the personalisation flow of tours is a focus. Additionally, enhancing the review process for tours is also on the agenda to ensure consistent quality and satisfaction for both customers and hosts.
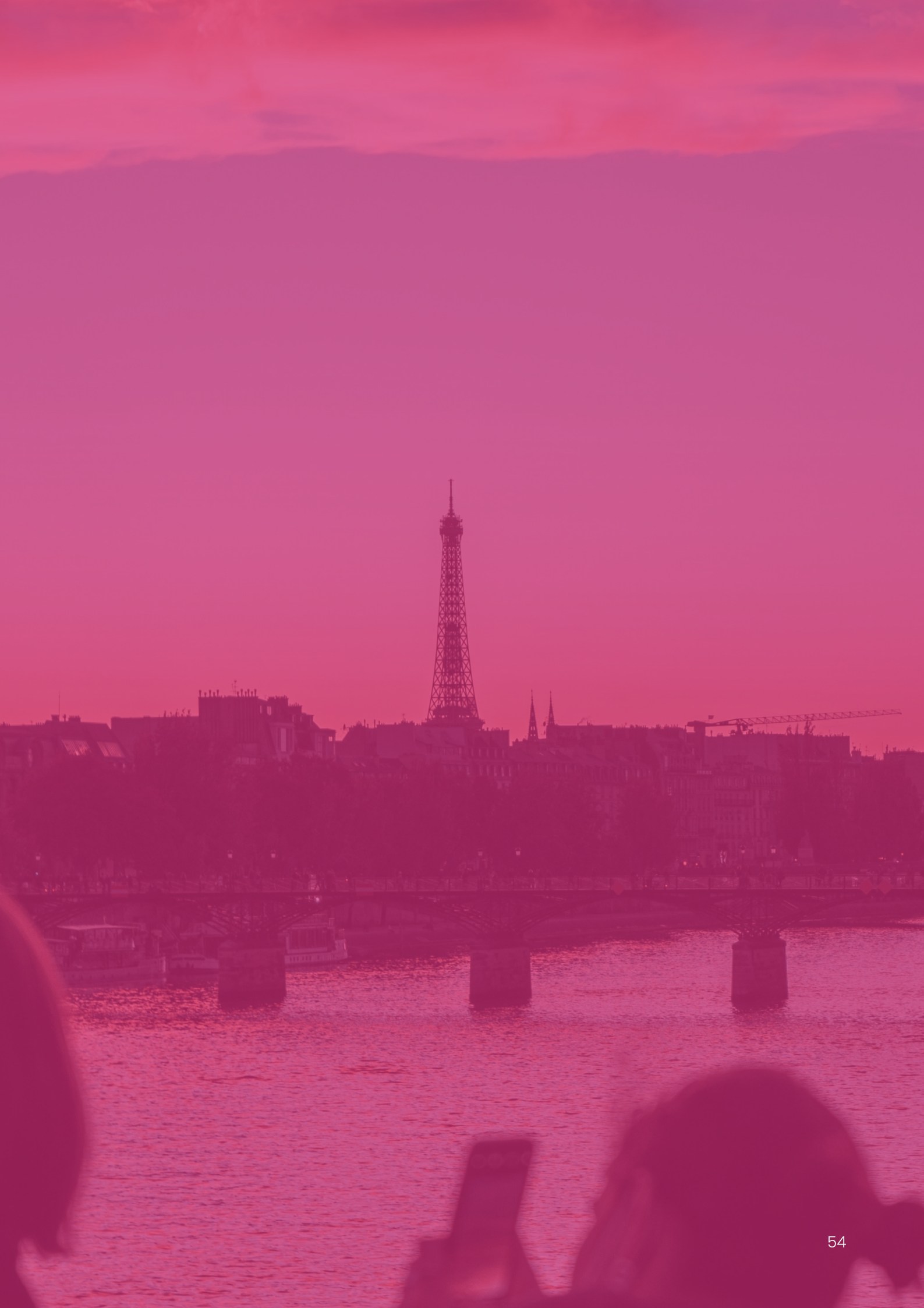
Key takeaways

Withlocals primarily operates in Western and Southern Europe and Southeast Asia, with a focus on major cities but a growing presence in regional and rural areas. Their target demographic consists mainly of affluent, English-speaking Westerners aged 30-65 who seek a balance between local authenticity and convenience, often favouring Europe for safety and Asia for adventure.

Within their product-service system, Withlocals offers customers a variety of distinctive values, including flexibility, knowledgeability, originality, tangibility, storytelling, connection, generosity, respect, authenticity, responsibility, and locality.

Noteworthy strengths of Withlocals include its scalable framework, strong host relationships, high customer satisfaction, technological expertise, and commitment to sustainability. However, challenges lie in developing brand recognition, navigating reliance on partners and

paid advertising, maintaining service quality in the platform model, and addressing potential perception issues with uniform tour structures. Opportunities for growth include the trend towards more individualised travel experiences and advancements in generative AI. Threats include uncertainties in aviation regulation, evolving customer preferences, and the impacts of climate change and overtourism on destination sustainability.

Currently, within their strategic objectives, Withlocals prioritises continuous growth through market expansion, especially through Tier 2 and Tier 3 destinations expansion. Secondary goals involve advancing sustainability efforts, potentially by focusing on accessibility, women equality and rural community initiatives, as well as enhancing the customer and host experience, possibly through improvements in personalisation and review processes.

Chapter 6

Strategies

This chapter provides a detailed overview of the concept development process and the project's outcome – proposals for changes to Withlocals' product strategy, aiming to increase visits to less-frequented areas and alleviate spatial congestion. The chapter starts by explaining the overall approach to the concept development process. It then discusses the key directions that form the basis of the concepts. Following this, it delves into the essential activities involved in detailing and refining the concepts. The chapter further describes the key elements of the proposed concepts. Finally, it concludes by discussing the relevance of these proposals to the project's goals and stakeholders, along with associated opportunities and risks.

Strategies

6.1. Approach

To develop the concepts, the first crucial step was to **identify viable strategic directions** aligned with the project's aim. These initial directions were derived from combining theoretical and empirical findings gathered during the research phase, along with a co-ideation session (see **Appendix 6**) involving the client's Tech Lead and Sustainability Manager. These initial directions were refined through sketching and discussing their potential with the client's Tech Lead and are outlined in **section 6.2**.

The second step focused on **developing detailed concepts** to implement the directions outlined in section 6.2 within the context of the Withlocals product-service-system and the real-world context, using the Netherlands as a case study backdrop. This process was influenced by key activities summarised in **section 6.3**, leading to the final product strategy change propositions detailed in **section 6.4**.

The concluding step involved a **final reflection** on the potential values and constraints of the final product strategy change propositions. This reflection was shaped by individual and client-generated insights during the conceptualisation process outlined in this chapter, as well as the input from the final validation session (see **Appendix 9**) involving the client team representatives (Tech Lead, Chief Growth Officer, Chief Executive Officer, and Developer). This final reflection on the final product strategy change propositions is outlined in **section 6.5**.

Strategies

6.2. Directions

Based on the findings in **Chapter 4** and the activities outlined in section 6.1, three potential strategies for **stimulating visits to less-frequented areas** while meeting the needs of both the company and customers have been identified: **(1)** providing clear and reliable information about both less-frequented and highly-frequented areas, **(2)** offering experiences tailored to visitors' specific interests to attract them
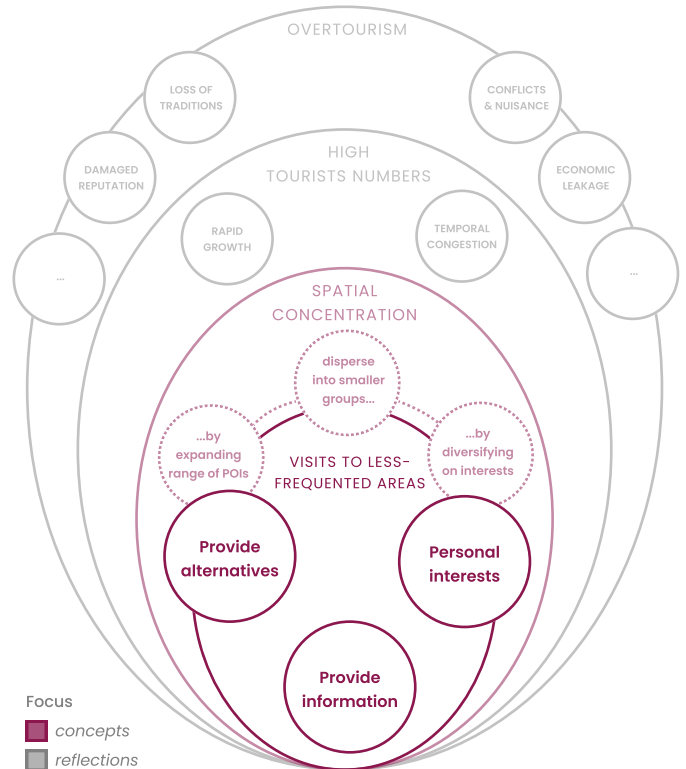
***Fig. 11**: Directions for conceptualisation (source: author)*

to less-frequented areas, **(3)** providing alternative experiences in less-frequented areas that offer similar benefits to those in highly-frequented areas.

Additionally, drawing upon the findings of **Chapter 3**, and further activities outlined in section 6.1., it is important to note that for the above strategies to effectively contribute to **spatial congestion alleviation**, additional measures are necessary to disperse crowds into smaller groups. Otherwise, efforts may merely relocate the problem. These measures may include: **(1)** expanding the range of points of interest, and **(2)** diversifying offerings based on visitor interests. As illustrated in **Figure 11**, these measures exhibit commonalities with the two of the aforementioned stimulation strategies. **The above five strategies for stimulating visits to less-frequented areas and alleviating spatial congestion will be focused on within the further concept development process.**

Furthermore, as suggested by the findings of **Chapter 3**, the above stimulation and dispersion strategies need to be further complemented by **robust management measures to handle growth and temporal congestion**. Examples of these measures can be found in that chapter. Without these measures, the efforts to alleviate spatial congestion may only yield short-term effectiveness. The findings of **Chapter 2** also indicate that while the combined implementation of these strategies can aid in mitigating over-tourism by addressing high visitor numbers, it is key to recognise that the issue of **over-tourism encompasses multifaceted challenges** (i.e. economic leakage, cultural degradation) spanning across all dimensions of sustainable tourism. **Dealing with these broader issues is crucial, but delving into their integration within the Withlocals product-service-system goes beyond the scope of this project. Therefore, these aspects will only be briefly discussed in the relevance, opportunities, implementation considerations, and risks (section 6.5), and further investigation is recommended as a next step after the project's conclusion.**

Strategies

6.3. Concept development

The concept development process has been targeted at developing actionable concepts for **integrating the three stimulation and two dispersal strategies** summarised in section 6.2 within the Withlocals product-service-system. This iterative process, gradually progressing from initial sketches to refined, high-fidelity prototypes, has been intertwined with the following key activities:

A. Desk research: Exploring spatial congestion in the Netherlands and its tourist offerings, drawing from sources such as CBS, Statista, Visitholland.com, Visitzuidlimburg.nl, and Visitbrabant.com.

B. Product review: A walk-through within the Withlocals platform as well as competitors' and partners' platforms, focused on the structure and communication of tours and destinations offered. Competitors' and partners' platforms included GetYourGuide, Airbnb, TripAdvisor, Gadventures, Responsible Travel, Intrepid Travel, Slowhop, Elsewhere, and Niarra Travel.

C. Client discussions: Individual discussions on the developed prototypes were conducted with the client team representatives, primarily the Tech Lead (see **Appendix 7**), throughout the process. These allowed to validate portions of the concepts and generate further ideas for realising the concepts, contributing to its iterative refinement.

D. Findings review: Detailed findings, particularly regarding customer behavioural factors, behavioural strategies (**Chapters 4**) as well as the company's portfolio market presence, target segments, strengths, weaknesses, opportunities and threats, values, and strategic objectives (**Chapter 5**), but also the remaining chapters, were scrutinised on an ongoing basis, playing a crucial role in refining the final propositions.

E. User scenarios and journeys: The development of concepts considered customer perspectives, goals, and specific contexts. Assumptions about specific scenarios and journeys were derived from previous customer interviews (**Chapter 4**), insights shared during initial stakeholder meetings (**Chapter 5**), and the client discussions mentioned above.
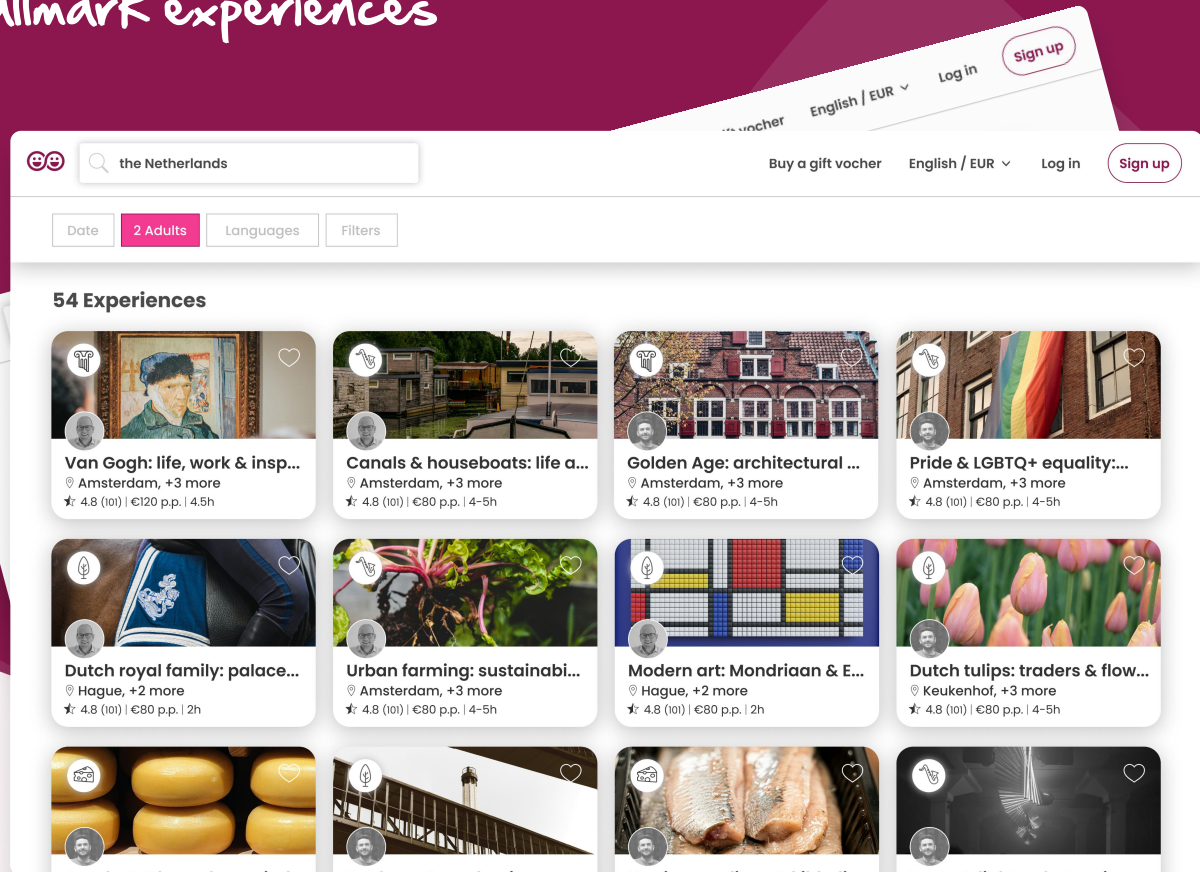
6.4. Strategies

CORE STRATEGY

Hallmark experiences

Fig. 12: *Hallmark Experience concept integrated within Withlocals platform* (source: author)

6.4.1. SHIFT TO HALLMARK EXPERIENCES

Foregrounding discovery through the lens of personal interests and hallmarks rather than exact locations.

At the heart of this strategy shift lies replacing the City-, Food-, Attraction- Tours, and Activities with a new Experience Concept - **Hallmark Experience** (**Fig**. **12**).
A Hallmark Experience ought to: **(a)** focus on a specific, mainstream or niche distinctive feature associated with a region, **(b)** offer multiple activity and location variants within a region.

For instance, among Mainstream Hallmark Experiences within West Netherlands, an experience on **"Dutch Tulips"** familiarising Guests with a nuanced, turbulent history of the rise and fall of the Dutch tulip trade and its imprint on the country until today, taking the form of a tulip field tour into Keukenhof, Bollenstreek or Noordoostpolder, or a tulip planting workshop in Amsterdam Noord, Amsterdam Zuid, Amsterdam Oost, Harlem, Hague and Delft could be offered (see **Fig. 13a**). Mainstream Hallmark Experiences could be offered **instead of Attraction Tours**. For example, a multivariate Mainstream Hallmark Experience on "Dutch Tulips" would replace a univariate Keukenhof Attraction Tour currently available within the platform (see **Fig. 13b**).
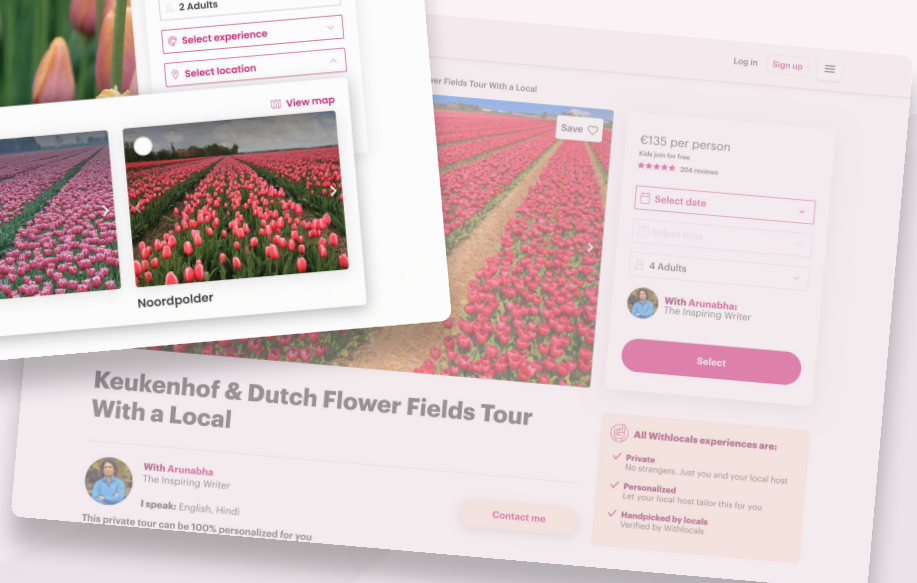
AFTER

Mainstream Hallmark Experience
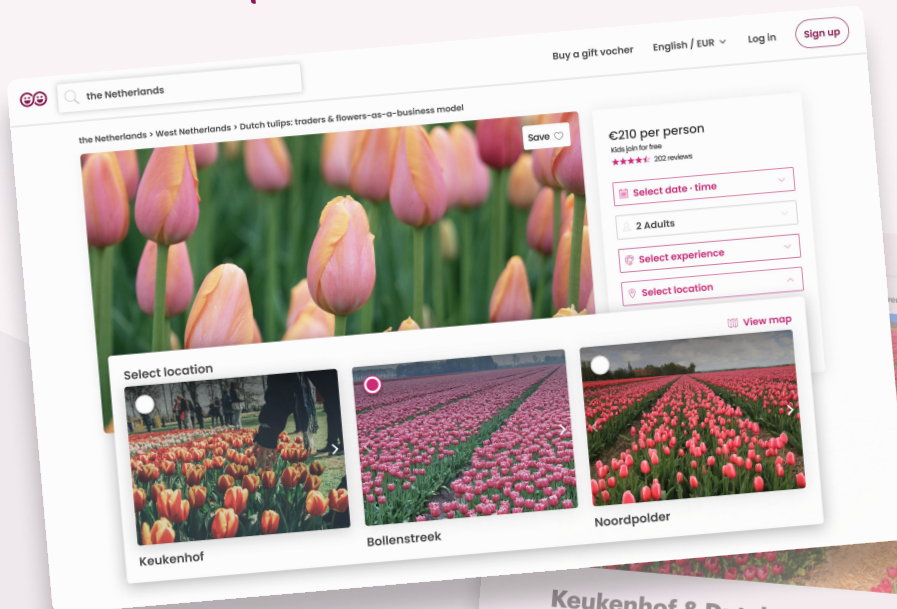
BEFORE

Attraction tour

Fig. 13a: *Mainstream Hallmark Experience concept integrated within Withlocals platform (source: author)*

**Fig. 13b**: *An Attraction Tour on Withlocals platform (source: withlocals.com)*

NICHE HALLMARK EXPERIENCES

Among the Niche Hallmark Experiences (**Fig. 14a**) within the West Netherlands, e.g. an experience on **"Beats and lights"** familiarising Guests to the evolution of electronic dance music in the Netherlands and its impact on the country's cultural landscape of today, offered as a museum visit to Our House Electronic Music Museum or Next Museum, or a music production workshop or in Amsterdam, Hague and Rotterdam could be offered. The Niche Hallmark Experiences would be offered **instead of City Tours within less-frequented regions,**

AFTER

Niche Hallmark Experiences
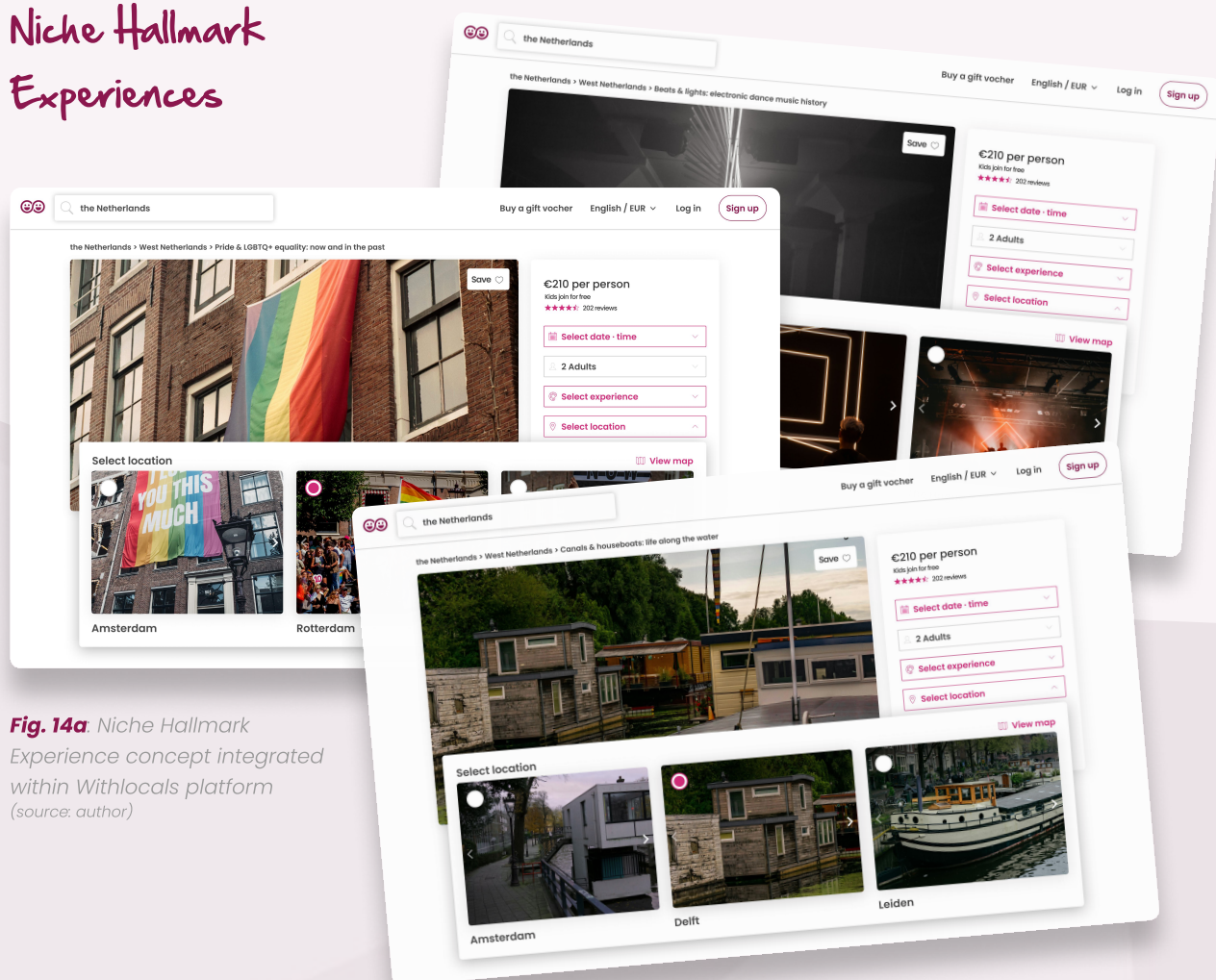
Fig. 14a: *Niche Hallmark Experience concept integrated within Withlocals platform*
(source: author)

areas, and districts. For example, the multivariate Niche Hallmark Experiences such as "Beats and Lights", "Canals & houseboats" or "Pride & LGBTQ+ equality" could replace the univariate, less thematically specific "Off-the-beaten-path in Amsterdam: Harlemmerbuurt' City tour in a less-frequented district of Amsterdam (**Fig. 14b**). Similarly, Niche Hallmark Experiences such as "Modern art: Mondriaan & Escher", "Coast: dunes & surfing culture", or "Dutch royal family" could replace less thematically specific tour "Highlights and hidden gems of the Hague" (**Fig. 14b**).

BEFORE

City Tour
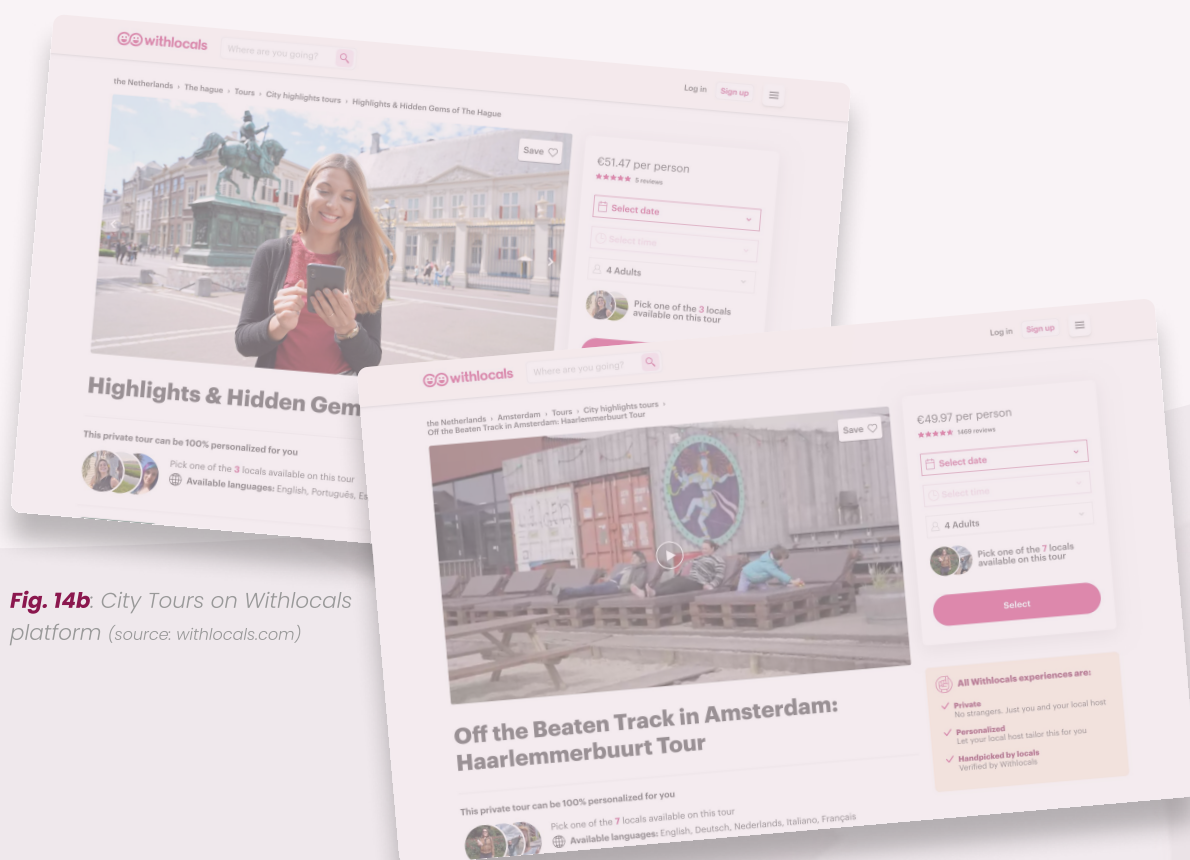
Fig. 14b: City Tours on Withlocals platform (source: withlocals.com)

To sum up the key changes and differences to the current offer, the new Hallmark Experiences are to be **plural** - offer multiple location variants to experience and learn about the hallmark, in contrast to currently offered single-location experiences - and **integrative** - integrate tours and activities together as variants of one experience, in contrast to current separation and desynchronisation of tours and activities (**Fig. 15a–15b**).
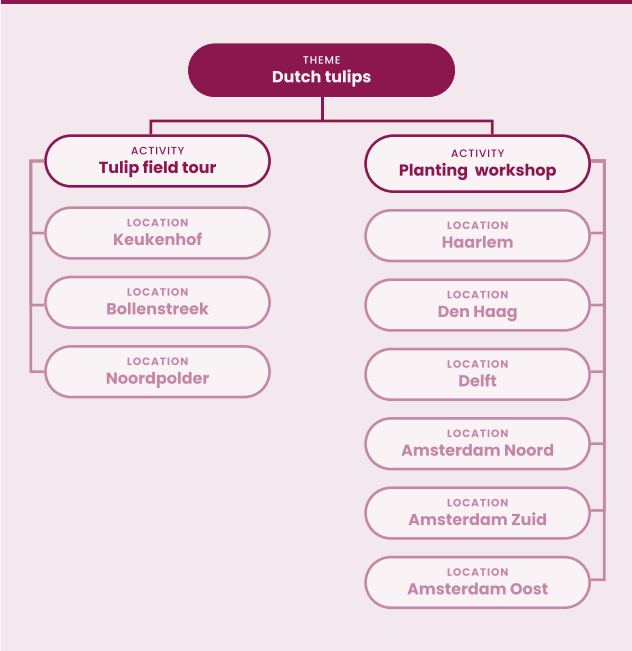
BEFORE
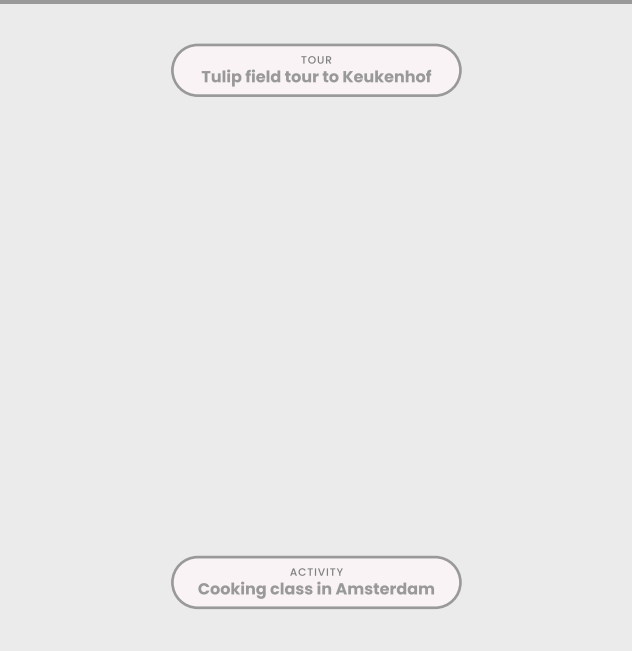
Fig. 15a: *Current structure of Withlocals experiences offering based on the Keukenhof Tour example (source: author)*

AFTER

Fig. 15b: *Withlocals' experiences offering structure implied by the shift to Hallmark Experiences (source: author)*

The experiences ought to foreground the **knowledge-enhancement**, **story-telling** and **alternative ways of experiencing** - making paramount the satisfaction of visitors' curiosity by diving deep into given topics, creating captivating stories around the topics and foregrounding these aspects in communicating the offering, as well as offering a range of diverse forms of activities to learn about and interact with the hallmark (see **Fig. 15b**), in contrast to the current central focus of the City- and Attraction Tours on visiting specific districts or attractions, with traditional sightseeing as the primary way to experience it (**Fig. 15a**).
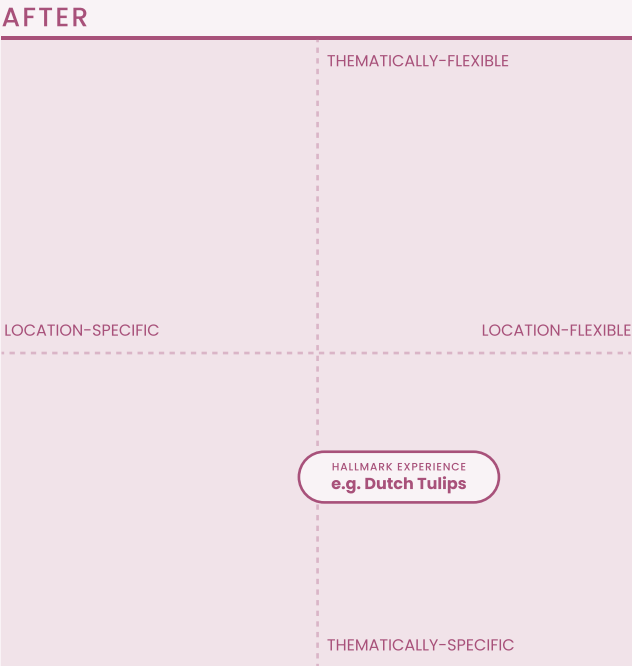
The themes ("Hallmarks") themselves should strike a balance between being **location-flexible** - broad enough to allow successfully fitting multiple locations within the experience, similar to currently offered Food

Tours (see **Fig. 16b**) - and **thematically specific** - specific enough to avoid attracting an overly broad audience or providing a vague experience, in contrast to current Attraction and City Tours (see **Fig. 16a**).

BEFORE
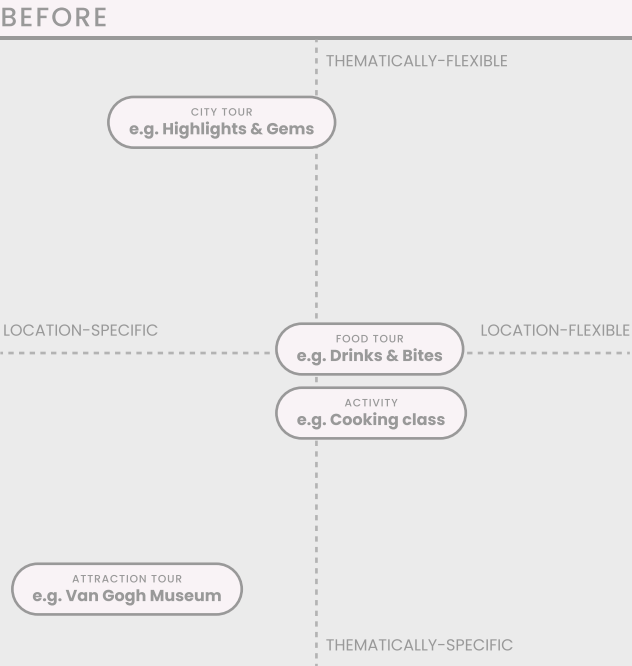
Fig. 16a: *Characterization of current Withlocals Experiences offering based on Amsterdam example (source: author)*

AFTER

Fig. 16b: *Withlocals Experiences offering characteristics implied by the shift to Hallmark Experiences (source: author)*

Finally, the multi-location structure of Hallmark Experiences implies a transition when presenting the city and country offerings within the platform. Namely, a

shift from the current presentation of the portfolio through the primary lens of standalone cities to foregrounding whole **regions**.

Transparency & Education

A shift toward enhanced and transparent, in-platform education on the destinations and location options.

6.4.2.A. LOCATION SCORINGS

The core idea of **Location scorings** is to provide **additional metrics on the location variants of the Hallmark Experiences**. This includes crowdedness level, travelling distance, sustainability score, guests' overall rating of the location and a set of locations' photos. Additionally, locations recommended by local guides and those rated by the guests as exceptionally authentic are marked with respective labels (**Fig. 17**).

SUPPORTIVE

Location scorings
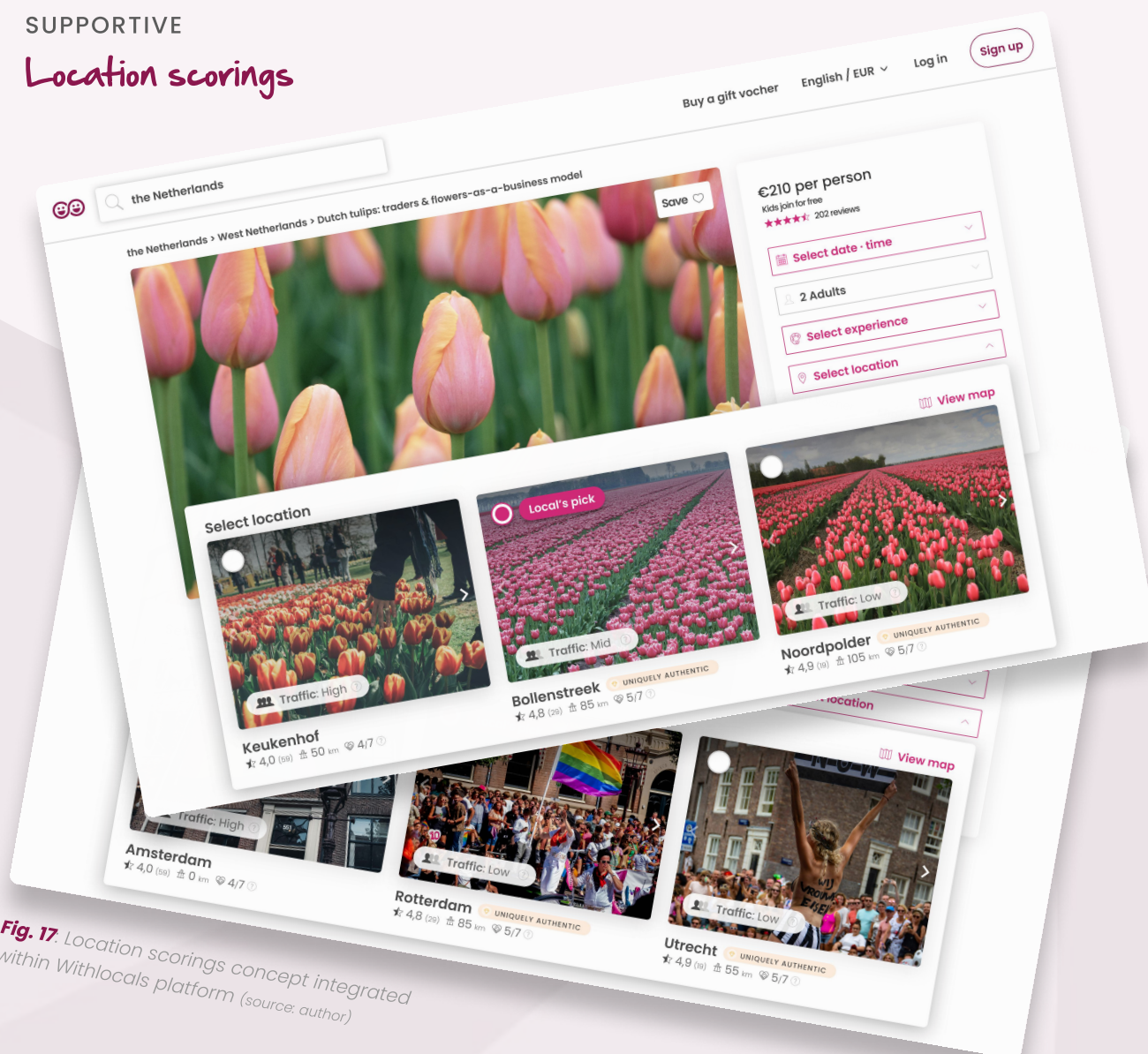
**Fig. 17**. *Location scorings concept integrated within Withlocals platform (source: author)*

6.4.2.B. DESTINATION-ED

The core idea of **Destination-ed** lies in complementing the platform with **additional information about the destinations and regions** as well as **elevating its presentation**. The array of proposed changes ranges from information architecture modification propositions to content curation propositions. This includes presenting a set of distinctive photos from within the destinations, providing information about the size and

popularity of the destinations, providing information about the region's distinctive hallmarks, presenting in separate, dedicated sections located outside of the city yet reachable within short travelling time experiences, providing a map overview of the experiences within the region and presenting mutually different experiences within regions while showing the country's offer (**Fig. 18**).

SUPPORTIVE

Destination-ed
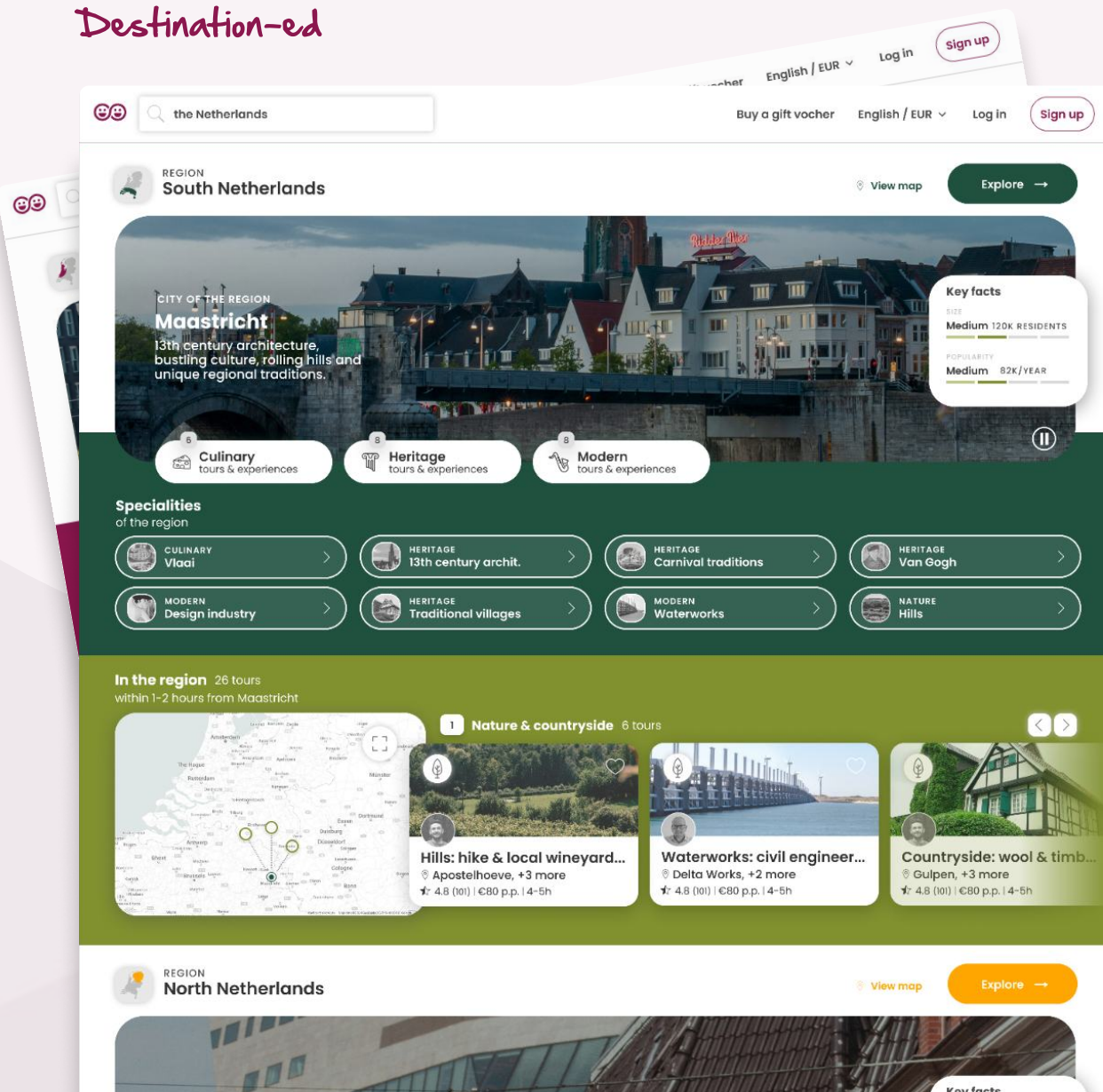
6.5. Reflection

CORE STRATEGY

6.5.1. SHIFT TO HALLMARK EXPERIENCES

6.5.1.A. RELEVANCE & OPPORTUNITIES

PROBLEM

Overall, the core idea of the Hallmark Experiences draws strongly on the **two strategies for stimulating visits to less-frequented areas**, which were defined in section 6.2., thus clearly targeting that shift in behaviour. Mainly, the Mainstream Hallmark Experiences draw on one regarding **"offering alternative experiences in less-frequented areas that meet similar goals as those in highly-frequented areas"**, while the Niche Hallmark Experiences draw on one regarding **"offering experiences that cater to visitors' specific interests"**.

Next to that, the overall shift from landmark orientation to hallmark orientation, creating alternatives not only with location variants but also with activity variants (e.g. tulip planting workshop in Amsterdam Noord, Amsterdam Zuid or Amsterdam Oost, Harlem, Hague and Delft), and breaking down generic City experiences within less-frequented areas (e.g. "Off-the-beaten-path in Amsterdam: NDSM", "Highlights and hidden gems of the Hague") into sets of specific Niche Hallmark Experiences (e.g. "Beats and Lights", "Canals & houseboats", "Pride & LGBTQ+ equality", "Modern art: Mondriaan & Escher", "Coast: dunes & surfing culture", "Dutch royal family"), enables for offering a significantly broader and more geographically flexible pool of potential points of visits (refer to **Fig. 16b**), creatively realising the overarching strategy of **"expanding the range of points of interest"** which allows dispersing crowds into smaller groups, **alleviating spatial congestion**.

Furthermore, the overall shift toward foregrounding personal interests and hallmarks, which Hallmark Experiences present, supports further dispersal of crowds into smaller groups based on interests, in line with **"diversifying offerings based on visitor interests"**, presenting further potential for **spatial congestion alleviation**.

Finally, as an additional benefit, focusing on a single theme within a tour, thereby exploring it more deeply, and offering more niche topics can potentially **support**

the preservation of the cultural practices and stories' richness, contributing to the prevention of **cultural diversity erosion** as outlined in **Chapter 2** (section 2.2.3, section 2.3.2).

CUSTOMER

Overall, the three strategies for stimulating visits to less-frequented areas were **derived from customer research** insights, which implies customer relevance. Additionally, creating alternatives from both alternative location variants as well as alternative activity variants allows to **tailor the offer to both customers** who care about a specific experience yet with fewer crowds (**Chapter 4**, section 4.3.3.A - 43.3.B) as well as those unwilling or unable to devote time to a travel of a longer distance (**Chapter 4**, section 4.3.2.B).

What is important from the user scenarios perspective is that aggregating all variants under one Hallmark Experience page allows us to introduce alternatives to guests who visit the platform with the predefined goal of visiting highly-frequented landmarks **without an intention to actively look for less-frequented options**. This is especially relevant given the findings about limited availability, accessibility and credibility of information related to less-frequented areas and experiences (**Chapter 4**, section 4.3.2.B) and the insights about a significant portion of the platform traffic coming from paid advertisement and partners' platforms (**Chapter 5**, section 5.3.1.B), thus likely having predefined highly-frequented itinerary objectives.

BEHAVIOURAL STRATEGIES

The aspect of aggregating all variants under one Hallmark Experience page also corresponds to the behavioural strategies such as **"stating clearly possible behaviour choices"** and **"supporting with operational and/or psychological knowledge needed to execute intended behaviour"** (**Chapter 4**, section 4.1.) with knowledge and choices referring to location and experience variants.

The Hallmark Experiences strategy's thematic and niche focus **bolsters and emphasises the values of originality, knowledgeability and storytelling** offered to customers by Withlocals, aligning with the company's personalisation enhancement ambitions (**Chapter 5**, section 5.3.2). Simultaneously, with the absence of similar approaches on the market and the progressive shift in customer preferences toward more individual and authentic travel experiences (**Chapter 5**, section 5.3.1.C.), the proposition provides a significant opportunity for **future-oriented competitor differentiation**.

As additional benefits, focusing on a single, specific, predefined theme may incentivise hosts to better prepare for tours by allowing them to anticipate specific interests and engage more deeply with the planned content, **positively influencing service quality** (see **Chapter 5**, section 5.3.1.B.). Variant aggregation may also **support conversion** in cases where the initially intended experience has been fully booked.

6.5.1.B. IMPLEMENTATION & RISKS

PROBLEM

To have the potential to effectively address the problem of spatial cognition, this approach must be paired with a **robust portfolio expansion and diversification strategy**. Thus, a 'long-tail' portfolio of experiences well-matching guests' interests should be developed. A wide pool of location and activity variants per experience, as illustrated on **Fig.16b**, should also be ensured.

Additionally, building on the conclusions of section 6.2, the efforts should be accompanied by ongoing **effectiveness monitoring** and **robust growth management policies** (e.g. establishing internal daily tours' limits per destination, withholding precise addresses of under-visited locations, implementing strong policies preventing guests from widely sharing

the under-visited locations on social media platforms). Without such measures, as outlined in section 6.2, the issue of spatial congestion may merely shift locations rather than be alleviated over the long term.

Given the broader perspective on over-tourism outlined in section 6.2 and described further in depth in Chapter 2, it is furthermore crucial to ensure that the selection and content of Hallmark Experiences authentically **reflect regional identities**, that the **local communities** in less-frequented destinations, including those who do not directly benefit from tourism, give **consent** for tourism operations there, and that **sustainable transportation** options for reaching these destinations are warranted (see **Chapter 2**, section 2.3.2).

CUSTOMERS

The significant broadening of the tour portfolio and its location and experience variants mentioned above can contribute to **overwhelming** customers with the options. Therefore, it is important that a well-designed **navigation, filtering and recommendations** strategy is implemented next to it to mitigate that risk.

Additionally, it is important to **balance the level of detail** in the presentation and description of the Hallmark Experiences on the platform. Specific descriptions can reduce uncertainty and enhance purchase confidence, but excessive detail may **diminish the allure of surprise and novelty**, as described in **Chapter 4** (section 4.3.3.B) While the prototypes presented above aim to strike this balance, **customer testing and refinement** are recommended.

WITHLOCALS

To provide the intended value, Hallmark Experiences need to be accompanied by the right **host matching strategy** ensuring well-versed with the themes guides.

Furthermore, to enhance the chance of purchase, a **robust content creation and curation strategy** focused on enticing, brand-matching storytelling about the experiences ought to be implemented within the platform and other marketing channels. Noticeably, a potential **increased logistical complexity** of managing and maintaining a diverse range of thematic tours, as well as the potential challenge of ensuring consistent quality across various themes and locations, needs to be effectively addressed when implementing the strategy.

SUPPORTIVE STRATEGY
6.5.2. SHIFT TO EDUCATION & TRANSPARENCY

6.5.2.A. RELEVANCE & OPPORTUNITIES

PROBLEM

Overall, the core ideas of Location scorings and Destination-ed draw strongly on the strategy for **stimulating visits to less-frequented areas** defined at the beginning of this chapter, namely: **"providing transparent and credible information about both less-frequented areas as well as highly-frequented areas"**. As mentioned above, the two propositions are meant primarily to **support the core strategy** around Hallmark Experiences.

The **Location scorings** are meant mainly to support re-assessment of the choice of the booking-ready customers from highly-frequented to less-frequented location variants within the Mainstream Hallmark Experiences as well as encouraging bookings of less-frequented location variants within the Niche Hallmark Experiences by supporting customers with **operational knowledge** about less-frequented areas needed at the itinerary planning stage (information about travelling distance), emphasising the **consequences** of visits to both highly-frequented and less-frequented locations (information about crowdedness, authenticity, and the sustainable impact), as well as building **credibility** about the less-frequented locations (locals' recommendations, locations' photos, guests' ratings).

The **Destination-ed** is meant primarily to attract the discovery-oriented customers on the platform to less-frequented regions, destinations and the Hallmarks Experiences within them by telling a convincing story about the allure and distinctiveness of different, both less-frequented and highly-frequented regions and destinations (through distinctive photos from within the destinations and presenting mutually different experiences within regions while showing the country's offer), providing transparent information about the benefits and drawbacks of the destinations (through information about the size and popularity of the destinations), enhancing the visibility and discoverability of the less-frequented experiences, destinations and regions (through presenting in separate, dedicated sections located outside of the city yet reachable within a short travelling time experiences, providing a map overview of the experiences within the region) as well as supporting customer with knowledge on less-frequented experiences, destinations and regions, needed at the itinerary planning stage (through information about the region's distinctive hallmarks and presenting in separate, dedicated sections located outside of the city yet reachable within a short travelling time experiences).

Through these, both solutions aim more broadly to ease the customer's **fear of uncertainty and disappointment** related to the gap in credible information on less-frequented areas (**Chapter 4**, section 4.3.2.A-4.3.2.B) and **minimise the effort** related to researching information regarding the logistics standing in the way of visits to less-frequented areas (**Chapter 4**, section 4.3.2.B) — with Location scorings focused on the location level and Destination education primarily on the destination and region level.

Additionally, providing users with criteria to further filter and grade their choices and indicating clear favourites with options such as "Local's recommendation" is targeted at **minimising the potential choice overwhelm**, which was mentioned as one of the risks for the Hallmark Experiences.

CUSTOMER

The information included within the Location scorings and Destination education draws on the behavioural factors, including barriers, drivers and strategies related to less-frequented areas and highly-frequented areas described in Chapter 4, thus expressing strong customer relevance.

BEHAVIOURAL STRATEGIES

The propositions included in Location scorings and Destination-ed additionally draw on the behavioural strategies described in Chapter 4 section 4.1., such as **"making explicit positive/negative implications [...]"** (information about crowdedness, authenticity, and the sustainable impact), **"supporting with operational and/or psychological knowledge [...]"** (information about travelling distance), **"leveraging reputable experts/authority to encourage intended behaviour"** (recommendations by local guides), **"giving qualitative and/or quantitative assessment of a behaviour in comparison to a standard"** (sustainability score), and **"making the intended behaviours conspicuous and prominent"** (enhancing the visibility and discoverability of the less-booked experiences through changed information architecture structure).

WITHLOCALS

Overall, both Destination-ed and Location scorings, with their objective of stimulating less-frequented areas' bookings conversion, directly **support Withlocals' growth and expansion goals** (**Chapter 5**, section 5.3.2.).

Apart from that, by emphasising transparency and education, these strategies may help **manage guest expectations**, minimise potential post-purchase dissatisfaction (see **Chapter 5**, section 5.3.1.B), and **enhance customer retention**.

Next to that, the focus on transparency can strengthen the company's **credibility** regarding its sustainability commitments (see **Chapter 5**, section 5.3.1A), positively influencing **brand perception**. Given its rarity in the

(see **Chapter 3**, section 3.2) a radical transparency approach could even serve as a foundation for a powerful **brand differentiation strategy**.

Furthermore, the detailed data from Location scorings can support the long-term **monitoring and optimisation** of the portfolio's quality and sustainability (see **Chapter 5**, section 5.3.1.A – 5.3.1.B).

Finally, combined with a broad, diverse, and attractive portfolio of Hallmark Experiences, these solutions encourage customers to consider Withlocals early in their itinerary planning process, thereby enhancing **brand significance** and fostering **customer loyalty**, supporting minimised partner reliance over long-term (see **Chapter 5**, section 5.3.1.B).

6.5.2.B. IMPLEMENTATION & RISKS

PROBLEM

A major risk of sharing less-frequented locations on the platform is triggering **uncontrolled visitor growth**, especially if guests or non-customers widely share these locations on social networks or other online media. As discussed in **Chapter 2**, reversing such a situation is challenging, making early preventive measures and monitoring essential. These measures might include, for example, withholding exact addresses or identifying information until after purchase and educating guests on the importance of responsibly sharing locations.

Another vital risk to mitigate is the **majority of customers choosing one variant** despite multiple available options. While the proposed strategies already aim to address this by offering variants with different parameters (e.g. different types of activities and distance), ongoing monitoring and prevention initiatives are necessary. Measures could include, for example, offering a broader pool of alternatives and rotating the visible options to ensure balance in visits' numbers.

CUSTOMER

Similarly to the case of Hallmark Experiences, it is important to maintain a **balance in the level of detail** when describing regions, destinations, and locations on the platform to avoid **diminishing the allure of surprise and novelty** as well as **overwhelming** the customers.

WITHLOCALS

From the company's economical sustainability perspective, a primary concern is potentially **reducing interest** in well-established destinations while failing to sufficiently attract visitors to less-frequented locations. The subtlety of information embedded within the current Location scorings and Destination education proposals aims to mitigate this risk. Still, conducting small-scale pilots would be essential to thoroughly assess the impact before full-scale implementation.

Furthermore, to ensure overall effectiveness and to avoid negatively impacting the company's **credibility and brand reputation**, the information within these solutions must remain consistently accurate and up-to-date. However, ensuring this may be **operationally complex** and **resource-intensive**. Withlocals' strong technological proficiency, recent advancements in generative AI, and established connections with sustainability-oriented tourism companies (see **Chapter 5**, section 5.3.1.A) —with whom Withlocals could collaborate on developing these solutions—may offer support in addressing these challenges. Nonetheless, the precise impact of these solutions on behaviour change should be assessed and balanced against costs to inform final implementation decisions.

Key takeaways

The concepts presented in this chapter are based on five core strategies: three strategies aimed at encouraging visits to less-frequented areas and two broader strategies addressing spatial congestion. These strategies were developed through a synthesis of research phase insights, a co-ideation session, and iterations of early ideas sketching and client discussions.

Further refinement and development of these directions was accomplished through iterative employment of desk research, product reviews, client discussions, reviewing research findings, and adapting user lenses with scenarios and journeys.

The final concepts include the core strategy of introducing "Hallmark Experiences", which emphasises thematic exploration and multiple location and activity variants of experiences, along with a supportive strategy that focuses on enhancing in-platform education and transparency regarding destinations and locations, referred to as "Destination-ed" and "Location scorings".

Following ongoing reflection and a final validation session with the client team, these strategies offer a range of potential opportunities for Withlocals, including competitor differentiation, adapting to emerging customer preference shifts, booking conversion optimization, and enhanced brand perception and significance. However, it's important to note that several potential risks and further steps outlined in the chapter must be addressed before the solution can be implemented.

Chapter 7

Conclusions

This chapter concludes this MSc thesis by reflecting on the project's contributions, limitations, and next steps. It ends with a personal reflection from the author.

Conclusions

7.1. Project contributions

The project was designed to explore ways in which the company could promote visits to less-frequented areas while managing spatial congestion and over-tourism. This involved creating targeted strategic proposals for Withlocals, such as introducing "Hallmark Experiences" focused on themed exploration with various locations and activities, as well as implementing "Location Scorings" and "Destination-ed" to offer comprehensive information on destinations and locations. These proposals were informed by a thorough analysis of the relationships between over-tourism, spatial congestion, and promoting visits to less-frequented areas, as well as an investigation into the factors influencing customers' choices of highly-frequented versus less-frequented areas, the strategies for behaviour change and the company's specific context. The proposals were further underpinned by desk research, product reviews, user scenarios and journeys, and client discussions during the conceptualisation phase.

7.1.1. PRACTICAL CONTRIBUTIONS

One of the key contributions of the project is the development of **promising and actionable proposals for changes in product strategy**, as outlined earlier. These proposals, warranted considerations described in Chapter 6, exhibit strong potential to not only align with the company's strategic objectives, ambitions, and the specific needs and limitations of customers as outlined in the project's goals, but also provide significant value to them (refer to Chapter 6). Additionally, the project offers several other practical contributions.

First, there's the aspect of **knowledge enhancement**. The thorough research carried out in the project's initial phase significantly deepens the company's understanding of over-tourism and related challenges, shedding light on previously unexplored areas. Moreover, the project equips the company with practical strategies to address issues related to over-tourism, spatial congestion, and behavior change. This newfound knowledge can inform the company's wider sustainability strategy and influence future product innovations. Furthermore, these findings can serve as valuable assets for the network of sustainable partners, driving advancements in the broader industry.

Secondly, there's the aspect of **empowerment**. Tackling complex societal issues can seem daunting, but by developing specific strategies that align with company goals and customer needs, the project has shifted the focus from questioning the feasibility of addressing these issues – which was prevalent among some company representatives in the project's early stages – to refining effective solutions. The final validation session highlighted this shift (see **Appendix 9**), motivating action within the company towards addressing these complex challenges.

Lastly, there's the aspect of **idea generation**. Throughout the project's duration, numerous ideas for potential product and policy changes were generated, which could help alleviate over-tourism and spatial congestion (refer to **Appendix 6**, **Appendix 10**). Although these ideas were not fully developed into final concepts, primarily due to their deviation from the initial focus on promoting visits to less-frequented destinations, they hold potential value for the company and its broader network of partners.

7.1.2. ACADEMIC CONTRIBUTIONS

The project primarily emphasised practical applications but also contained elements with potential contributions to academia. Specifically, it employed specific design methodologies and tools, including the systemic design perspective, the iceberg model, and behavioural design strategies. These approaches can provide a novel perspective on topics such as over-tourism, spatial congestion, and the promotion of off-the-beaten-path tourism within the field of tourism research, thus enhancing understanding in these areas.

Furthermore, given its foundational premise of continuously incorporating the multi-stakeholder perspective (company, customer, society) from the earliest stages of the innovation process, the project exhibits the potential to serve as a case study in the emerging field of Sustainable Value Proposition Design.

Conclusions

7.2. Limitations & next steps

7.2.1. THEORETICAL & EMPIRICAL RESEARCH

Firstly, per the agreement with the client prior to initiating the project, the in-depth investigation into over-tourism was conducted comprehensively without targeting specific destinations, considering the client's global presence and the need for a scalable approach. Nonetheless, scholars researching over-tourism emphasise the intricate nature of the issue when analysing particular destinations. Thus, for the further elaboration of strategies, it is advisable to explore a range of specific cases to enhance the understanding of the issue.

Secondly, it is crucial to acknowledge the inherent complexity and wicked nature of the over-tourism problem. Its definition is not definitive nor objective, and it would be unrealistic to expect such clarity from the research presented in this thesis.

Thirdly, it is noteworthy that the research was conducted from a design perspective rather than within the tourism field. This unique approach offers a fresh lens through which to examine over-tourism; however, it also introduces specific limitations in terms of the depth and scope of analysis within the traditional tourism context.

Lastly, when interpreting the empirical research findings, it's important to consider that the interviews specifically involved customers of Withlocals, potentially limiting the generalisability of the findings to a broader audience of visitors.

7.2.2. STAKEHOLDER INVOLVEMENT

Firstly, the involvement of tourism experts directly in the project was limited due to practical constraints. However, their valuable insights on addressing over-tourism and ethical considerations could greatly benefit the project. Particularly, at the conceptualisation and validation stages. Therefore, it is recommended to engage with a wider range of tourism experts in the future stages.

Secondly, the concepts were developed based on customer research, but were not validated with end-customers due to practical constraints. It is advisable to validate the concepts, among others, the aspects such clarity and naming, with users in the next phase.

Finally, although the perspective of hosts is important, they were not directly involved in the project due to the prioritization of other aspects during the project's scope definition phase. While the Host Community Lead represented their views, involving hosts directly in future steps is recommended.

7.2.3. FINAL OUTCOMES

As outlined in Chapter 6, the project's outcome presents a promising concept yet requires further detailing, validation, and development of preventive measures. The details can be found in the chapter mentioned above.

7.3. Personal reflections

Reflecting on the journey and the overall learnings attained, I find this project one of the most challenging yet enlightening experiences in my so far design endeavours.

Foremost, I am grateful for the opportunity this project provided to delve into my long-standing interests in Sustainable Tourism, Platform businesses, Systemic design, and Behavioural design. The project not only allowed me to explore these complex topics comprehensively but also provided a platform to apply theoretical knowledge to real-world challenges, further enhancing my skills and perspective.

Admittedly, navigating the challenges of exploring these new domains within a high-pressure and unexpectedly turbulent external context has been among the most profound lessons from this project, albeit a challenging one, revealing the critical importance of resilience and adaptive thinking in a way I hadn't fully appreciated before. While this journey of developing resilience is ongoing, the project has undoubtedly pushed me to grow and evolve in that direction significantly.

Additionally, the project further deepened my appreciation for prototyping as a crucial thinking tool. While lost transitioning from the research to the design phase, given the broad scope and client's flexibility, resorting to sketching was instrumental, as it integrated complex insights and brought the project to a higher level of concreteness, facilitating progress.

Similarly, I have come to appreciate writing as a vital tool for structuring thoughts, despite its demanding nature. Continuous refinement of writing skills and incorporating writing into the design process can significantly enhance clarity and direction.

Furthermore, in future endeavours, I newly recognise the importance of a few aspects in particular. Firstly, this experience underscored the complexity and time required to navigate unfamiliar territory without expert guidance. Moving forward, I will prioritise ensuring strong engagement and dedicated resources from domain experts from the outset for more informed decision-making and effective project execution.

Secondly, it is clear that seeking more frequent critique and feedback from client representatives and peers throughout the project would further enhance outcomes and bolster confidence in and pace of structuring and communicating complex ideas. External circumstances during the project made this challenging, but underscored its importance, pushing me to prioritise it in future design endeavours.

Thirdly, although I had examined several methodologies and tools relevant for dealing with societal challenges prior to the project, applying these theoretical concepts in a dynamic environment highlighted the necessity of both theoretical knowledge and practical proficiency. Moving forward, I am committed to refining my expertise through continued study and application.

Furthermore, this project has shown that greater resolve and simplicity in establishing design processes and methodologies, along with a more confident commitment to them from the start, could reduce complexity. Initially, I hesitated to strictly adhere to predefined methodologies to allow for adaptability, which proved advantageous in this exploratory context. Now, with increased familiarity, I believe better balancing flexibility with structured frameworks will facilitate collaboration and help navigate moments of doubt more effectively in future projects.

Finally, this journey highlighted the value of creating and maintaining a supportive community of peers. Recognizing the importance of ongoing support, I aim to prioritize building and sustaining a robust support network for future projects.

Key takeaways

The project's primary contribution has been devising implementable product strategy changes that align with the company's goals, customer needs, and the objectives of stimulating visits to less-frequented areas and supporting spatial congestion alleviation, offering substantial value. It also deepened the company's understanding of over-tourism through extensive research and equipped them with actionable strategies to mitigate it while also generating an array of other ideas for potential product and policy changes.

Although primarily practical, the project's application of design tools and lenses to subjects of over-tourism and spatial congestion may hold potential academic contributions within the design and tourism domains. Despite limitations such as a broad investigation approach and limited stakeholder involvement, the project laid the groundwork for future research and strategy development.

Personally, the project facilitated significant growth, offering deep insights into the tourism industry, enhanced knowledge of design methods, and resilience-building amid a turbulent context.

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