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**Social Enterprise: The effectiveness of the
stakeholder model in a rural tourism context**

**Thesis submitted by
Mervyn Jefferies, Bachelor of Tourism Management
in March 2008**

in fulfilment of the requirements for the Degree of Master of Education with Honours in
the School of Education, James Cook University.

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Mervyn Jefferies

March 30, 2008

Declaration on Ethics

The research presented and reported in this thesis was conducted within the guidelines for research ethics outlined in the *National Statement on Ethics Conduct in Research Involving Human* (1999), the *Joint NHMRC/AVCC Statement and Guidelines on Research Practice* (1997), the *James Cook University Policy on Experimentation Ethics. Standard Practices and Guidelines* (2001), and the *James Cook University Statement and Guidelines on Research Practice* (2001). The proposed research methodology received clearance from the James Cook University Experimentation Ethics Review Committee (approval number H 2381).

March 30, 2008

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Abstract

The purpose of the study is to provide information that will assist the tourism industry in the Vancouver Island region and in particular stakeholders and members of Destination Marketing Organizations (DMOs) to make better decisions about their marketing activities in an urban and/or rural context. In doing so, it should perform a similar function for members of the tourism industry more widely by indicating factors that shape decision making in marketing and management in general.

It seeks to achieve this by finding out what participants in the tourism industry on Vancouver Island think about stakeholder and membership models of DMOs, and how these views might be shaped by the rural or urban locations of their industry and/or by their own views about the characteristics or attributes of urban and rural locations.

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Chapter One

Introduction

This thesis is a study of Tourism Vancouver Island and its relationship to the Vancouver Island region¹ tourism industry, and the effectiveness of the stakeholder model compared to the membership model of governance from rural and urban perspectives.

Purpose of study

The purpose of the study is to provide information that will assist the tourism industry in the Vancouver Island region and in particular stakeholders and members of Destination Marketing Organizations (DMOs) to make better decisions about their marketing activities in an urban and/or rural context. In doing so, it should perform a similar function for members of the tourism industry more widely by indicating factors that shape decision making in marketing and management in general.

It seeks to achieve this by finding out what participants in the tourism industry on Vancouver Island think about stakeholder and membership models of DMOs, and how these views might be shaped by the rural or urban locations of their industry and/or by their own views about the characteristics or attributes of urban and rural locations.

Contexts and models

The study arises in a particular set of contexts. First, my work in a DMO—Tourism Vancouver Island—permits an in-depth perspective of the industry on a day-to-day basis. This first-hand micro-view and personal contact with tourism industry actors provides a solid framework for the study and allows for considerable ‘insider knowledge’ to help inform the study. This section discusses the stakeholder and membership models of DMO governance.

Second, the broader socio-economic context of Vancouver Island tourism provides a platform to help understand the significance of tourism to the social and economic well-being of Vancouver Island region residents.

¹ Technically, Tourism Vancouver Island is the Regional Destination Marketing Organization for Vancouver Island and the Gulf Islands, and the mainland coast between Bute Inlet and Moses Inlet. For the sake of brevity ‘Vancouver Island’ will be used throughout the thesis instead of ‘The Vancouver Island, Victoria and the Gulf Islands region’, which is the organizations ‘official’ designation.

Third, existing knowledge about Canadian tourism destination marketing and how it is delivered by quasi-governmental *not for profit* associations/organizations (NPAs/NPOs) to regional, national and international markets provides necessary background for understanding current tourism marketing strategies and policies, and the form and roles of tourism marketing organizations.

Fourth, current research and understandings of the relation between social context and tourism, in particular, theories of social capital and social enterprise provide ways to understand both the social context of tourism and tourism marketing and the social significance of particular approaches to tourism marketing.

Destination marketing

In the first decade of the new millennium some sectors of society have come to rely more heavily on the initiatives and efforts of the not-for-profit sector—paid and voluntary—than ever before. Governments at all levels have reduced their services and often funding across a broad spectrum of activity and service delivery, shifting the responsibility to the not-for-profit sector or the private sector. The Canadian government at all levels delivered or provided direct funding resources for public services such as employment services and health care directly to the community. However, in recent years the Canadian federal government has turned centralized employment services over to local not-for-profit sector agencies, which are contracted to deliver service directly to the community.

Similarly, in the tourism industry, not-for-profit associations, termed *Destination Marketing Organizations* or DMOs, are contracted by crown corporations such as Tourism British Columbia to deliver marketing initiatives to tourism consumers both within Canada and internationally. Tourism British Columbia contracts the delivery of these marketing initiatives to six regional non-profit Destination Marketing Organizations (DMOs), including Tourism Vancouver Island, the focus of this study.

The study focuses on Tourism Vancouver Island whose stated mission is to ‘Execute strategic leadership in tourism creating Economic, Social and Environmental benefit to the Vancouver Island region community’ (Tourism Vancouver Island 2007). This type of mission takes the ‘triple bottom line’—economic, social and environmental—approach. The study focuses primarily on the economic and social aspects of the organizations activities—the ‘double bottom line’. Although the vast majority of tourism businesses and organizations are for-profit, they are supported in their activities at the public level by quasi-governmental agencies—Tourism Vancouver Island is a not-for-profit DMO contracted by Tourism British Columbia to deliver marketing services for the Vancouver Island region’s tourism industry.

In terms of structure, there are two basic forms of Destination Marketing Organization: 1) the membership model, which typically levies a membership fee as a pre-condition to participate in any marketing initiatives and programs, and 2) the stakeholder model, which does not require a membership fee to participate in marketing initiatives and programs. The stakeholder model, however, structures marketing initiatives and programs on a fee for service basis and does not require the membership fee as a precondition for participation (Tourism Vancouver Island 2007). Stakeholders are defined as: “Any identifiable group or individual who can affect the achievement of an organization’s objectives, or who is affected by the achievement of an organization’s objectives” (Freeman and Reed 1983). From Tourism Vancouver Island’s perspective, a stakeholder is any organization, business or individual who is involved in the tourism industry.

Corporate structures are essentially classified as ‘non-profit’ or ‘for-profit’ entities. Generally, non-profit corporations or organizations redistribute any net revenues—profits—internally into their programs or mission, thereby benefitting their stakeholders; whereas, for-profit corporations or organizations redistribute any net revenues externally to shareholders as dividends. Non-profit stakeholder-based organizations that offer goods and services and act as the nexus between government and industry—in this case the tourism industry—are examples of social enterprise.

Social enterprise

The social entrepreneurial model assumes that a not-profit organization will produce revenue, which supports the organization’s service delivery mandate rather than being distributed to shareholders as dividends or profit-sharing. This model is a hybrid—a hybrid of not-for-profit organizations assuming social entrepreneurship roles in conjunction with the public sector and subsequently anchored by the for-profit business model (Williams 2005). This concept has been referred to as the ‘third way’, where public sector initiatives constitute the first way and the private sector the second way (Stewart-Weeks 1998).

The tourism industry on Vancouver Island

Tourism Vancouver Island has made the transition from the membership model to the stakeholder model, and considers any tourism business or organization in the region to be a ‘stakeholder’. In the case of Tourism Vancouver Island, which had previously been based on the membership model, and thus had a secure revenue base in the form of membership fees, the transition meant a loss of revenue. The revenue loss meant that Tourism Vancouver Island would necessarily have to secure additional funding to make up the shortfall, as additional compensatory funding from government sources was unlikely to occur. Tourism Vancouver Island, can be viewed as an example of Williams’ (2007) hybrid social entrepreneurship model in that revenue generation is necessary to further its social and economic missions.

The development of Vancouver Island's tourism industry arises, to some extent, in the context of a marked transformation of the Canadian economy. Canada relies heavily on the primary industries sector to sustain a strong economy and maintain a high standard of living for its citizenry. Primary industries are classified by the Canadian government as agriculture, forestry, fishing and hunting, mining, and oil and gas extraction. Since the mid-90's, Vancouver Island has experienced significant declines specifically in the fishing and forestry sectors, which are the two most important primary industry sectors for the Island region.

Although it is relatively straightforward to measure economic impacts in terms of consumer spending, new home construction, inflation, household income, personal and corporate taxation levels, it is more difficult to measure the *social* impacts of an industry sector decline. Anecdotally, one of the most difficult social challenges for a resource based community experiencing the effects of an industry decline is the immediate effects of lay-offs and unemployment, which is often followed by difficulties for workers making the transition to often lower paying occupations. Vancouver Island's rural communities were seriously affected economically and socially by primary industry declines and, consequently, those rural communities and individuals frequently looked to tourism as a mechanism to expand their economic base, as have urban communities (Vaugeois and Rollins 2007).

While the preceding section is by necessity no more than a brief overview, an analysis of the root causes is outside the scope and purpose of this paper; for my purpose here, it is sufficient to note that Vancouver Island's economy and social fabric was negatively impacted by resource industry downturns.

Approach to the research

The study will determine how the transition from the membership model to the stakeholder model is perceived by members of the tourism industry. Their involvement in the industry makes them well informed sources of knowledge, and how the transition might affect the future industry, and by extension, the social capital and social fabric of Vancouver Island. The level of satisfaction expressed by the respondents is a measure of the effectiveness of the stakeholder model.

Research was conducted in two phases: Phase One was a series of Personal Interviews; Phase Two was a questionnaire-based survey conducted electronically. The most important aspect of the research was to gauge the satisfaction levels of stakeholders overall, not only those who had demonstrated satisfaction by supporting programs and initiatives, but also those who had expressed dissatisfaction by not supporting Tourism Vancouver Island initiatives.

The survey was informed by a group of industry experts who participated in Phase One and also by reviewing existing research, particularly Montgomery's study which focussed on rural health care and law enforcement personnel.

Limitations of study

The most obvious limitation in the study is its scope and scale: the small number of industry members interviewed, and the relatively small proportion of questionnaires completed. These limit the extent to which the data obtained can confidently be taken to reflect the full range and distribution of views across the tourism industry in Vancouver Island. A second significant limitation follows from the methodological design. The study uses perceptions of effectiveness as a proxy measure for actual effectiveness of the stakeholder and membership models for a DMO. While this limitation was effectively imposed by the limitation on scope and scale of research imposed by the rules governing the size of a Master's thesis, and the timeframe for completion, its implications for the value of the study are offset by the fact that the perceptions of effectiveness the thesis documents are those of members of the tourism industry itself; who are well informed by virtue of their involvement in the industry and are thus well placed to offer reliable judgements of the merits of the two models for their businesses and the industry of which they are a part. Finally, there are minor technical limitations in specific parts of the questionnaire. Thus, the study questionnaire may have been ambiguous or unclear in the items that returned a high level of 'not sure' responses, for example, Question Twelve asked the respondent whether they preferred to do business under the stakeholder or membership model. It is not clear if the respondents were not sure of their preference or if they were not sure of their preference because they had not understood the question.

Structure of the thesis

The thesis is organized into five chapters:

Chapter One: Introduction

- To provide an overview of the study.

Chapter Two: Literature Review

- To examine the literature as it relates to the study and the implications it may have for further study.

Chapter Three: Methodology

- To detail and clarify research methodology used in the study and to show why the methods are appropriate and relevant.

Chapter Four: Results

- To present results and analysis of the primary research conducted for the study.

Chapter Five: Conclusion and Recommendations

- To summarise, present conclusions and make recommendations for further research and draw implications of the study for the tourism industry.

Summary

The purpose of the study was to provide information that will assist the tourism industry in the Vancouver Island region and in particular stakeholders and members of Destination Marketing Organizations (DMOs) to make better decisions about their marketing activities in an urban and/or rural context. In doing so, it should perform a similar function for members of the tourism industry more widely by indicating factors that shape decision making.

In order to achieve the study's purpose, the study 1) examined the relationship between Tourism Vancouver Island and Vancouver Island's tourism industry and how it fits the definition of a social enterprise; 2) examined how effective the stakeholder model is compared to the membership model, and; 3) considered the relationship between the tourism industry and the social and economic well-being of Vancouver Island communities in a rural tourism context.

Chapter Two

Literature Review

The purpose of the study is to provide information that will assist the tourism industry in the Vancouver Island region and in particular stakeholders and members of Destination Marketing Organizations (DMOs) to make better decisions about their marketing activities in an urban and/or rural context. In doing so, it should perform a similar function for members of the tourism industry more widely by indicating factors that shape decision making in marketing and management in general.

It seeks to achieve this by finding out what members of the tourism industry in the Vancouver Island region think about stakeholder and membership models of DMOs, and how these views might be shaped by the rural or urban locations of their industry and/or by their own views about the characteristics or attributes of urban and rural locations. The literature review considers effectiveness, social capital theory, social enterprise theory, the stakeholder model, rurality and the role of tourism as an employer in the rural context.

The study focuses on the utility of quasi-government agencies, specifically regional Destination Marketing Organizations (DMOs), which are mandated to promote and develop the tourism industry. The DMO exemplar in this study is Tourism Association of Vancouver Island industry, branded as Tourism Vancouver Island. Tourism Vancouver Island is one of six regional DMOs contracted by Tourism British Columbia (TBC) to undertake regional tourism marketing initiatives. In turn, TBC is contracted by the Canadian Tourism Commission (CTC) to market British Columbia as a premier tourist destination. Typically, DMOs and their community counterparts, Community Marketing Organizations (CMOs), are membership driven not-for-profit associations (NPAs). However, recently a shift towards a non-fee paying stakeholder-driven model has evolved.

Effectiveness

An important distinction between for-profit and NPOs was made previously in this study and that distinction is described in the literature as ‘...deceitfully simple...’ (Baruch & Ramalho 2006). The essential purpose of a for-profit organization is to realize a profit at the end of each business cycle, which is reinvested or paid out to shareholders in the form of dividends. Although an NPO’s primary function is not to produce net revenue to benefit its stakeholders, it is necessary to generate revenue to support operational activities in order to fulfill the respective organizations mandate and mission (Mellon 1998).

One broad definition of effectiveness is paraphrased from the Cambridge Dictionary ‘...successful [outcomes] or achievement of the results that you want’ (Cambridge n.d). Baruch and Ramalho (2006) identify several synonymous terms to describe organizational effectiveness: ‘*performance, productivity, efficiency, health, excellence, quality, competitive, or success*’ (Baruch & Ramalho 2006). Although these terms are synonyms, each word has shades of subjective meaning that prevents the terms being used as exact duplicates for each other: defining exact criteria for a definition of effectiveness depends on context. For example, McCabe and Dutton apply perceptiveness as a subjective gauge of effectiveness, while performance is measured objectively (McCabe & Dutton 1993). Other studies used economic measures to describe ‘...performance while noneconomic or “stakeholder” measures [are used to define] effectiveness...’ (Hart & Quinn 1993).

The notion of perceptual measures of effectiveness is echoed by Sowa, Selden and Sandfort (2004) who state: ‘...perceptual measures help assess the degree to which the objective measures [such as fiscal health] influence day-to-day organizational operations.’ Sowa et al stress client or stakeholder satisfaction as an important source of perceptual measurement of a program and support surveying the client or stakeholder base to measure perceptual effectiveness (Sowa, Selden & Sandfort 2004).

NPOs have varying levels of social and community functions and depending on their mandate can be more or less focussed on achieving net revenues that may be used for many purposes including contingency funds, business development and re-investment to provide future fiscal security. Although fiscal performance may be perceived as effectiveness, it could also be perceived as generating ‘profits’ and an inability to use funds effectively and, perhaps, affect the organization’s fund raising efforts by appearing to be inefficient (Baruch & Ramalho 2006).

A consistent theme throughout the literature is a lack of an instrument or mechanism to consistently assess organizational effectiveness. Organizations mandates and functions vary widely, but they are all organizations and can be thought of as a continuum ranging from privately held for-profit corporations to public service charities running on a break-even business model (Baruch & Ramalho 2006).

Clearly, there is no single definition of effectiveness. In the context of this thesis, the intended purpose is to understand whether or not the stakeholder model is perceived as achieving the results that Tourism Vancouver Island and Vancouver Island’s rural tourism industry expect.

Social capital

According to the Government of Canada’s Policy Research Initiative, “People and communities with good access to a diverse mix of social capital tend to be more ‘hired, housed, healthy and happy’ ”.

The Canadian Government's Policy Research Initiative (PRI) further defines social capital as the way in which the community broadly accesses "...information, resources and supports"—essentially, a form of social networking (Government of Canada 2007) While there appears to be no single definitive term for social capital, the preceding concept is a useful starting point.

Early theorists such as Robert Putnam suggest that the basis of social capital is community participation and involvement, and mutual and reciprocal trust (Putnam 1993), echoed more recently by Matthews (2003) who suggests social capital is "...created through the resources and actions of individuals, but its strength is manifested in its collective social and economic outcomes". One economist's definition of *capital* is "...the capital stock in a geographic area which includes natural, human, and human-created capital" (Castle 2002). Regardless of the source or classification of capital, some current economic theories say that capital is essentially an investment in people. Capital is also used as a term to express the costs incurred with the 'movement of time', also termed *opportunity cost*, which occurs when an asset is saved for the future rather than being consumed or used for production of a capital good in the present (Castle 2002).

The term *social* is generally understood to mean living in a community—more than one person. One way to describe social capital is the notion of the "...norms and networks that facilitate collective action" (Woolcock 2001 in Castle 2002). Similarly, "...the networks and norms that allow people to work together to resolve problems and achieve common goals" (Stone 2000).

Social capital theorists Castle and Coleman suggest that collective action is more effective than individual efforts, albeit as a means to achieve individual ends, but as Castle points out, not necessarily self serving. In other words, if we sacrifice opportunity or consumption as a community today, the community may benefit as individuals in the future; this can be seen as community opportunity cost (Coleman 1988; Castle 2002). The extension of this theory posits that beneficial goods and services occur directly and indirectly because of the norms and networks that facilitate community or collective action. The way in which social capital acts in the rural milieu is an important aspect of small communities and is often perceived as being more prevalent than in more highly populated areas—anecdotally, rural communities are often perceived as being more 'neighbourly' than urban communities.

Social capital can also be described as one of the commonly expressed concepts of capital in general: economic, physical, human and cultural capital. As previously noted networks are also a common theme in the literature and appear to be a dimension that is accepted as one function of social capital. Coleman (1988) defines social capital as "...something that happens as a function of how two or more people interact" (in Stewart-Weeks1998).

Alston (2004) defines social capital as “...the raw material that holds communities together...” Social capital is undermined by the loss of young people from rural communities which has a serious and lasting effect on the sustainability of social organizations and community groups. However, the downside of young people staying in the community, regardless, is the inevitable high unemployment rate and the negative implications of high unemployment. An interesting aspect of Alston’s point of view is the reference to the “darker side of social capital” in that young unemployed often become social pariahs, a perspective echoed by Stehlik and Chenoweth (2004).

An example of the negative aspects of social capital often experienced by youth can be seen in gang-culture, which fits many of the generally accepted definitions of social capital. The norms and networks of gang-culture essentially define the tight-knit and often secretive nature of gang structure hierarchy and define the acceptable and expected behaviour of its membership. One can argue that without a tight network of (at least internally) accepted norms and the pressure for members to ‘fit-in’ to an otherwise exclusive sub-culture, gangs could not actually form and function. Certainly, the notion that gang-members live, and often die, by following norms and networks that facilitate collective action defines gang culture (Carlie 2002). Another example of the negative aspects of social capital can also occur in close-knit rural communities where the pressure to be part of the social fabric can make it extremely difficult for an outsider or newcomer to be accepted (Bullen and Onyx 1999). The negative aspects of social capital as cited by Stehlik and Chenoweth and Alston appear to be a theme throughout discussions of social capital, albeit overshadowed in much of the literature by the perceived benefits.

Other themes include participation, reciprocity, trust, social norms, common resources, proactivity, tolerance of diversity (Bullen and Onyx 1999), bonding, bridging, and linking social capital together, which may ensure strong communities if, and when, applied concurrently (Woolcock and Narayan 2000). These concepts form a basic understanding in the way social capital may apply to communities in general, but does not universally or automatically apply to everyone.

However, in spite of an overall acceptance that social capital is a positive outcome of developing social networks and the notion that effective communities are based on the preceding concepts of mutual support, social capital is not the ‘silver bullet’ that guarantees self-reliance simply because a specific government policy focuses on implementing community self-help initiatives (Bullen and Stewart-Weeks 1999). An address by Martin Stewart-Weeks to ACROD (Australian National Industry Association for Disability Services) speculates on the challenges and doubts of social capital’s magic bullet status when he states:

Social capital is rapidly entrenching itself at the heart of the most contentious, most challenging and most urgent of the debates we are now confronting about how we resolve the problems we share in common, whether in neighbourhoods, cities, regions or nations. (Stewart-Weeks, 1998)

According to Stewart-Weeks, James Coleman theorized that social capital is a critical ingredient to making human capital (knowledge and skills) effective. The basic social networking aspect of social capital can be extended by introducing the concept of *sustainable prosperity* which can only be attained by communities working together (Stewart-Weeks 1998).

Stewart-Weeks suggest that globalization is “unravelling” the traditional fabric of social society and that the nature of civil society is changing. Stewart-Weeks attempts to introduce the contrasting perspective that governments’ retreat from fiscal community responsibility is “not abandonment”, but “...a more complex recognition that (a) there are real limits...we can expect [from] government and (b)...we need to determine a new role for government.” However, this innovation is described as “...inherently risky...” with the caveat that risk management is dependent on confidence, competency provided by education training, and adequate infrastructure in tandem with trust, cooperation and collaboration—a strong social and state network supporting the overall need for capacity building. The concept of ‘place’—as in civil society and local community—can be the reverse of globalization. These apparently bipolar perspectives are actually compatible in the sense that success in an “interconnected world” does not happen without sustaining an effective civil society (Stewart-Weeks 1998).

Social capital is, in essence, the glue that binds communities together as an amalgam of an individually expressed group dynamic. The inclusion or consideration of social capital as an asset paints a much broader picture in an analysis of rural communities, where the unrealized value or hidden asset of social networking may be perceived as being of greater utility than in an urban setting. However, for the purposes of this thesis social capital usefully may be defined as “...those group relations, or norms and networks, which facilitate accomplishments by social and economic systems” (Castle 2002).

Social enterprise

This thesis focuses on the tourism industry, specifically the relationship between social enterprise and the tourism industry in rural communities on Vancouver Island. Social enterprise is defined by the Social Enterprise Alliance (SOE) as “Any earned-income business or strategy undertaken by a nonprofit for the purpose of generating revenue in support of the nonprofit’s social mission.” The SOE further defines Social Entrepreneurship as “The art of persistently and creatively leveraging

resources to capitalize upon marketplace opportunities in order to achieve sustainable social change” (Social Enterprise Alliance, n.d.).

Social entrepreneurship is similar in philosophy to social capital, however, the link between the two concepts in the context of this paper is primarily the notion that not-for-profit agencies (NPAs) can operate or function in the same structural and managerial way as a for-profit business. The essential difference between a for-profit business and a not-for-profit agency is that net revenues generated by an NPA operating under the social enterprise model return the ‘profits’ to the community in the form of goods and services, rather than to company shareholders. The NPAs activities may be economic or non-economic but the outcome is “... innovative entrepreneurial organizations or ventures whose primary mission is the social change and development of their client group” (Prabhu 1999).

There is no single definitive definition of social enterprise and defining the term is made more challenging as the application of the term differs among Europe, the UK, and North America.

Two Canadian sourced definitions are:

- 1) An organization or venture that advances its social mission through entrepreneurial, earned income strategies. (Canadian Social Entrepreneurs Network 2004)
- 2) Social enterprise is a venture/business activity within a non-profit organization providing social benefits that further the mission. (Williams 2005)

Both definitions are similar in intent; however Williams specifically uses the term ‘non-profit’, whereas the CSEN definition seems to focus on the term ‘entrepreneurial’. Williams further defines social enterprise and clarifies a Canadian perspective which helps align the term with this study.

Williams classifies social enterprise as:

1. The Business Model: a stand-alone profit-only based legal entity.
2. The Social Service Model: a needs based venture directly controlled and administered by the organization in support of its social mission.
3. The Hybrid Model: operates under a net-revenue organizational structure to further its social mission. (Williams 2005)

Theoretically, social enterprise draws together the social capital imbedded in society, and the resources provided directly and indirectly by the public purse; it subsequently provides services anchored firmly by the entrepreneurial model to the community. One view of social capital that aligns with the notion of a social enterprise model is that social capital is “...the raw material that holds communities together...” (Alston 2004).

Of these definitions and models of social enterprise, Tourism Vancouver Island is most closely aligned to Williams' Hybrid Model, as net revenues are redistributed to further the social aspects of its activities as part of the 'double bottom line' (Williams 2005).

Social entrepreneurship is the activity that a social enterprise conducts and can be defined as:

Social entrepreneurship...[is]...a multidimensional construct involving the expression of entrepreneurially virtuous behavior to achieve the social mission, a coherent unity of purpose and action in the face of moral complexity, the ability to recognize social value-creating opportunities and key decision-making characteristics of innovativeness, proactiveness and risk-taking. (Gillian et al. 2003)

The authors identify several common characteristics, namely: "...the unique organisational purpose of NPAs; ...the environment in which social entrepreneurs operate; ...and an innovative approach to identifying and funding NPAs..." (Gillian et al. 2003).

Another aspect of social entrepreneurship is the role leaders play in developing NPAs whose primary mandate is social change delivered by the business model. According to Prabhu:

Social entrepreneurial leaders create and manage innovative entrepreneurial organizations or ventures whose primary mission is the social change and development of their client group. The social enterprise's activities and its client group's activities can primarily be either economic or non-economic, but the mission is social change and development. (Prabhu 1999)

Further, Prabhu notes that social entrepreneurship NPAs can be funded by government, public donation, revenue generated by quasi-commercial activities or a combination of all or any of these sources. In fact, an entire industry focussed on fundraising for NPAs is flourishing as agencies chase elusive sources of funding made available through philanthropic organizations and foundations, as well as shrinking government agency resources.

A recurring notion in the literature is describing social entrepreneurship as the 'third way'; in which government; corporations and community work together to develop sustainable public policies. Stewart-Weeks proposes a 'New Public Policy' emphasising that 'public' should be re-defined as "...open, social and collaborative realm rather than a... synonym for state or government..." and the notion of "The art and practice of boundary crossing, i.e. new forms of collaboration between government and institutions of civil society (associations, corporation etc)" is essentially the broad definition of the 'third way' (Stewart-Weeks 1998).

One example of the 'third way' concept of social entrepreneurship was actively promoted in Britain by Tony Blair's pro-entrepreneurial government. A UK example of social entrepreneurship is Greenwich Leisure Ltd (GLL), a not-for-profit society with an employee-controlled board, which has

managed Greenwich's leisure centres since 1993. Twenty-seven other local authorities have since followed the GLL model. The original mandate of GLL was to curtail closures and cutbacks that were occurring because the leisure centres were administered under the traditional municipality led system controlled by management from 'above', although measures were taken to adapt a more flexible style of management. The leisure centres were essentially set up as a Not-for-Profit Trust or Society that allowed for substantial tax write-offs against earnings. This strategy allowed the GLL to operate longer hours without hiring additional staff—this initiative combined entrepreneurial thinking with a hands-off local government managerial style and a publicly responsible not-for-profit mandate—the 'third way' (Sesnan 2001). While the GLL example is a concrete case in point that can readily be described, the underlying philosophy of social entrepreneurship is difficult to define clearly.

Lastly, an example of social entrepreneurship is where not-for-profit agencies (NPAs) break away from the traditional concept of publicly supported 'charities' and undertake creative initiatives based on the business model. There are many examples of social entrepreneurship in Canada and elsewhere—including Community Development Corporations (CDCs) such as Community Futures Development Corporations (CFDCs) established throughout Western Canada as a mechanism to assist communities previously dependent on resource industries. CFDCs essentially channel funds from the Federal Government via the Western Economic Diversification (WED) program to help individuals start and operate small business as an alternative to direct payment of unemployment benefits. CFDCs are funded through a combination of government sources and return on loans furnished to start-up entrepreneurial ventures (Community Futures Development Corporation n.d.).

Rurality and rural issues

Rurality is relevant to this study because much of Vancouver Island is rural and increasingly dependent on tourism. Rural communities have by necessity become more reliant on employment derived from service-based industries—such as tourism and retail services—as some primary industries have experienced a gradual weakening as resources have become depleted or because of changes in global economies. Specifically, Vancouver Island's fishing and forestry industries have experienced serious decline, while tourism and retail service-based industries have enjoyed growth, as has the Asian-driven value-added wood-product and mining export sectors.

According to Statistics Canada (2006) the percentage of workers participating in primary industries in Vancouver Island communities decreased significantly between the census years of 2001 and 2006. For example, workers in 'Occupations unique to primary industries' decreased in four traditionally resource-based single or dual industry communities: Nanaimo by 13%; Port Alberni by 27%; Ucluelet by 61%; and Campbell River by 23% respectively.

This overview is not intended as an exhaustive study of Vancouver Island labour markets; however, the data does illustrate an overall decline in resource industry employment on Vancouver Island. Statistics Canada does not measure tourism employment by occupation, specifically, and it is therefore difficult to quantify and compare directly to primary industry occupation employment levels. Additionally, Statistics Canada does not agglomerate Vancouver Island community statistics and these examples are used for illustration purposes, not as conclusive evidence of primary industry decline (Statistics Canada 2001).

Vancouver Island's tourism industry at large is represented by Tourism Vancouver Island, a quasi-governmental, not-for-profit association, that functions as a social enterprise to foster the social and economic objectives of the region, in part by utilizing the social capital imbedded in Vancouver Island's communities. However, to focus this study further, an attempt to define rurality comprehensively is necessary.

There is no single all-encompassing definition of rural—long standing debate continues to ask whether rurality is a quantifiably measurable physical state or an intangible subjective sociological and cultural condition. For example, rurality can be defined by social representation; in descriptive or ecological terms; socio-culturally; and from a political economy perspective (Western and McMillan 1998). Social or occupational representation is the typical popular image of 'rural' as primarily farming or agricultural-based. However, primary resource industries such as logging, fishing and mining should be included to provide a more comprehensive social representation, as should transportation, recreation and tourism.

Secondly, from the descriptive or ecological perspective, rurality is often defined in distance factors and population density terms (Statistics Canada 2001; Beshiri 2005), using economic factors such as involvement by the local labour market in primary industries (Statistics Canada 2001).

Thirdly, rurality can be defined in socio-economic terms by incorporating the culture and the 'uniqueness' of the social fabric of a given community, as well as the characteristics and behavioural traits of rural people. For example, Australians have anecdotally been described as valuing tradition and friendship centred on close personal relationships and 'mateship'.

Lastly, the political economy perspective posits that the distinction between rurality and urbanity is underscored more by the inequity between service distribution and access to service because of the inherently inequitable division of wealth and power in both the rural and urban milieu (Western 1998).

Policy makers frequently use population in tandem with population density as a measure of rurality, although this measure is somewhat arbitrary and differs between countries. For example, Canada considers a community of less than 1,000 people having a density under 400 per square kilometre as rural; Switzerland deems communities of less than 10,000 persons rural; Norway's rural communities have less than 200 (United Nations Demographic Yearbooks in Mulley 1999).

Statistics Canada uses several definitions of rural including:

- **Census Rural** describes communities outside population centres of 1,000 persons or more.
- **Rural and Small town** refers to communities located outside the commuting zone of centres with populations of 10,000 or more. (Statistics Canada 2001)

The Organization of Economic Co-operation and Development's (OECD) rural communities' international definition of rural is based on the proportion of people living in the community. OECD defines a *rural community* as communities with population densities of less than 150 persons per square kilometre, including countryside, towns and small cities inside and outside the commuting zone of large urban centres.

- **OECD predominantly rural regions** defines *predominantly rural regions* as Census Divisions (CDs)—including CDs outside a major urban centre—where more than 50 percent of the population lives in rural communities.²
- **Beale non-metropolitan regions** are communities outside metropolitan centre of 50,000 or more.
- **Rural postal codes** identify residents with '0' as the second character in their postal code. (Statistics Canada 2001)

Clearly, the preceding definitions are based on physical geographical factors, primarily distance, and population scale and density. These definitions lead to differences in how rurality is measured territorially, regionally and locally and by extension how rural definition can be applied to a specific issue. In tourism terms, for example, infrastructure such as new highways is a regional issue, whereas structural development, for instance a new hotel or resort development, is a community issue.

Further, applying commonly used rurality definitions to communities and regions can produce markedly different calculations of rural populations. For example the *1996 Census of Population*

² To complete the OECD version of community classifications, *intermediate regions* encompass Census Divisions with between fifteen and fifty percent of the population live in rural communities. Finally, CDs with less than fifteen percent live in rural communities are classified as *predominantly urban regions* (Beshiri 2005). Under OECD definitions, British Columbia has no intermediate regions, only *rural* and *predominantly rural regions* and *predominantly urban regions*.)

conducted by Statistics Canada measures the total population of British Columbia as 3,677,890. Under the *Rural and small town* classification 569,825 residents are counted as ‘rural’, whereas under the *OECD predominantly rural regions* classification 1,555,760 residents are counted—15.5% and 42.3% of the population respectively.

In Australia, Griffiths defines rurality by defining sub-categories of small (less than 1,000 population) communities: 150 kms from a 10,000 population centre defined as *rural* and 300 kms or requiring an overnight stay from that same community as *remote* (Griffiths 1993). Griffith further developed his model to quantifiably measure rurality in The Griffiths Service Access Frame—an algorithm that measures rurality based on isolation, access to services and community size (Griffiths 1993). This kind of classification index, while quantifiable, is problematic because it does not take into account the human element of self-perception. This is especially so if isolation is considered to be a component of rurality—generally isolation is a term used to describe ease or difficulty of access to services.

However, it could be argued that technology in the form of the World Wide Web and the Internet has largely blurred the absolute definition of isolation. Similarly, advances in transportation, while not literally shrinking distances, have precipitated the notion that the world is getting smaller, and distant places are more accessible and less isolated. Perhaps another perception from urban dwellers is that rurality connotes disadvantage, however, people who chose to live in a rural community—regardless of definition—frequently see isolation and low population densities as distinct advantages.

Other similar terms to isolation, such as remoteness, should not be used synonymously with rurality (Cameron-Jackson 1995). As an example, Tofino on Vancouver Island’s Pacific west coast is undeniably remote, but it is arguably urban in access to services, as is Port Hardy at the northern tip of the Island. The tourism industry has impacted many remote Vancouver Island communities as primary resource industries have experienced economic downturns and displaced these industries as the primary employers. Anecdotally, Tofino has weathered more changes than most other communities, evolving from an almost defunct fishing village to a tourist centre where many locals can no longer afford to live as multi-million dollar resorts have urbanized a rural community. In Tofino, according to Statistics Canada’s 2001 census, a reported workforce of 97 people worked in Primary Industries compared to 295 in Sales and Service—more than three times as many sales and service workers as resource industry workers (Statistics Canada 2001). Other Vancouver Island communities are experiencing similar changes, albeit at a slower rate, specifically Tofino’s neighbour Ucluelet, and Lake Cowichan, located in the Cowichan Valley. How these communities learn from the Tofino ‘experience’ is outside the scope and purpose of this paper, suffice to note that the often perceived bucolic ‘rural paradise’ can also be ‘paradise lost’.

Cameron-Jackson has attempted to define Australian rurality as based on quantifiable factors or considerations in addition to including the human aspects of rurality. Essentially, the quantifiable factors are identified as zonal—regional, rural and remote; access to community services; industry type; population composition and, lastly, subjective ‘views of rurality’ (1995). This definition could be adapted to Canada, inasmuch as Canada is a large landmass, populations tend to concentrate in communities along the USA-Canada border—analogue to Australia’s populated coastline—and a dependence on single industries in rural and remote areas is common to both countries.

In the case of Australia, out-migration from the Australian bush threatens the future of rural towns and rural people. Migration of young people occurs from rural towns to cities and from the interior to the populated coastal regions often because of job loss. Job losses are frequently caused by changes in agricultural methods, labour market restructuring and an erosion of public and private sector services (Alston 2004).

The subjective aspect of rurality resonates because it seems that the perception of rurality is not simply population density, isolation or advantage/disadvantage. Cameron-Jackson suggests that rural conditions are often inherently more challenging than urban conditions and consequently rural residents are often much better equipped to deal with harsh climates, uncertain employment conditions, school closures and health-care challenges than urban residents (Cameron-Jackson 1995).

Montgomery identified some twenty rural issues or factors cited by rural professionals in British Columbia as pertinent to rural life. Although Montgomery’s study focussed on health care and law enforcement personnel, many of the issues parallel those experiences and expectations of rural communities in general. In the primary research component of this study, aspects of Montgomery’s work were used to inform some of the questions in the survey and have helped build the research framework. The following list is taken verbatim from Montgomery’s study:

Community and culturally related issues:

- closeness/linkages with the community physical geography (climate, scenery, nature);
- closeness to life-threatening situations (medical, motor vehicle, fatalities, suicides);
- cultural differences and attitudes;
- geographic isolation; and
- anti-social behaviours (crime, drugs, alcohol abuse).

Professional and work-related issues:

- professional positives (job satisfaction, autonomy, experiences, people, variety);
- professional frustrations (professional isolation, bureaucracy, never-ending job);
- colleagues (support, teamwork, turnover, competency);
- rural preparation; and
- background inequities (work, community, family).

Personal and social issues:

- access to family and friends;
- access to services (work, community, family);
- recreational and social activities;
- space (indoors, outdoors, & personal);
- family happiness (self, spouse, children);
- community size (anonymity, privacy, confidentiality);
- living conditions;
- quality of local schools; and
- compensation (allowances, salaries, cost of living). (Montgomery 2003)

Governments rely on market based and community driven self-help programs to help ensure the future of rural communities. Government has argued that it is not its role to preserve and protect rural communities. If economic growth actually occurs, youth, especially women, will likely still continue to leave, and the issue of educational opportunities will likely go unresolved. Human capital, institutional capital, and social capital are necessary for rural towns to survive and grow. Out-migration also affects the abilities of community groups as their social capital decreases, which brings up the issue of short and long-term succession planning—the young ‘drivers and entrepreneurs’ are not taking over the reins (Alston 2004; Bullen and Weeks 1999).

Rural tourism employment

Rural tourism on Vancouver Island is an important economic and social force and has contributed significantly to Vancouver Island’s status as being one of the top destinations in Canada. Tourism is acknowledged as a significant economic development driver and is targeted as an important component of economic diversification not only on Vancouver Island, but throughout British Columbia (Vaugeois and Rollins 2007).

Much of the attraction of the region is attributable to its natural characteristics such as the marine, rain forest and alpine environments, combined with relatively easy access by road, ferry and air access to the ‘close-in’ markets of Greater Vancouver and the lower mainland, the Pacific Northwest, British

Columbia outside Greater Vancouver and the lower mainland, and Alberta. In addition, many of the activities tourists engage in on Vancouver Island are nature-based and delivered by rural operators in rural communities. These activities include, but are not limited to kayaking, wildlife viewing, hiking, hiking surfing, agri-tourism, and mountain biking (Tourism Association of Vancouver Island 2008).

The literature and media reports have often conveyed that full-time employment is perceived as being difficult for young people to secure in Australia, as in Canada. While rural unemployment traditionally has been higher and tended to be more prolonged, the perception is that meaningful job and career opportunities are limited and, especially in the tourism industry, seasonal and relatively poorly paid (Alston 2004).

However, in British Columbia in general, and tourism in particular, this perspective has shifted as the baby-boomers are retiring and young 'echo-boomers' are taking up the reins. According to research conducted on Vancouver Island in 2002, the common perception of tourism employment seasonality was not supported, contrary to Alston's perspective. The research found that Vancouver Island tourism organizations were operational virtually year round from a high of 97.4% organizations indicating they were operational July-September—the primary tourist season—to a low of 79.7% that were open from October to December. Similarly, the notion that employment is largely part-time should be challenged. Total full-time winter employees were reported as 24,032 and 30,990 summer employees, compared to part-time winter employees of 19,449 and 15,325 summer employees. The study also found a high proportion of organizations did not hire part-time employees at any time during the seasonal cycle (Tourism Vancouver Island 2002). Vancouver Island primary industry employment has experienced downturns over the last decade or so, however around 13.8% of the sample surveyed in a recent study had made the transition from the resource-based industry sector to engage in tourism careers suggesting a positive migration to the tourism industry from the resource sector (Vaugeois and Rollins 2007).

Tourism sector employers report that securing and retaining full-time employees has become increasingly challenging as the tourism industry labour pool struggles to keep pace with demand. A recent report estimates that between 2000 and 2010, 568,667 workers will be needed in the British Columbia tourism industry (BC Tourism HRD Task Force 2003). In terms of rural tourism employment, British Columbia has less than half of its tourism employment in predominantly rural regions, but about the same in total tourism employment as a proportion of total employment in all regional rural/urban classifications—about three percent (Statistics Canada 2003).

Education is clearly an issue: as the workforce needs to become more technologically adept, young people have to migrate to cities for education and training opportunities. In British Columbia there are

some 200 tourism programs including certificate, diploma and degree. Over 60% of these graduates have opted for programs delivered by private tourism education institutes. For publicly-funded tourism programs in universities and colleges, the majority of these students secure employment upon graduation; 89% reported finding work. However, about 50% go to work in sectors other than tourism (BC Tourism HRD Task Force 2003). Although the tourism industry is growing rapidly, the industry clearly needs to take steps to improve retention of post-secondary graduates, especially in rural areas.

The stakeholder model

Tourism Vancouver Island—a social enterprise—recently made the transition from the membership model to the stakeholder model in its governance structure. In the social enterprise example, stakeholders are defined as: “Any identifiable group or individual who can affect the achievement of an organization’s objectives” (Freeman and Reed 1983). Much of the literature discusses the relationship between the shareholder model and the stakeholder model; however in this study, the relationship between the stakeholder model and the membership model is considered instead.

Membership is defined by the Oxford Dictionary simply as: “A person or thing belonging to a particular group or society” (Oxford Dictionary 1997). The key word is *belonging*, which suggests a degree of vested interest by the member and is similar to the concept of a shareholder. Under shareholder governance, any profits or surplus remaining after operating costs have been paid are returned to the shareholder as dividends (Barry 2002). In the membership-based tourism destination marketing organization (DMO) example, membership fees are paid to the DMO in return for ‘entry’ to participate in marketing activities and programs, rather than being paid a dividend from net profits. The results of the marketing activities are intended to enhance the members’ business and, thus, are the ‘dividends’ returned to the member.

In the Tourism Vancouver Island as a DMO context, the primary difference between the stakeholder model and the membership model is that a stakeholder is considered to be any individual or group engaged in a legitimate tourism activity, whereas a member is required to pay a fee to ‘belong’.

Tourism Vancouver Island states:

The intent of the Stakeholder Model is for Tourism Vancouver Island to embrace all tourism industry participants in the region by considering them as stakeholders, without a requirement to pay membership fees. (Tourism Vancouver Island n.d.)

Summary

In reviewing the literature, the relationship between Vancouver Island rural tourism industry and the social and economic fabric was explored, and a connection made between Tourism Vancouver Island as an influence on regional tourism. Further, a positive connection between declining primary resource employment and the influence rural tourism has had on displaced resource-based industry workers has been established.

In reviewing the literature, Tourism Vancouver Island can be identified as an example of social enterprise, based on the notion of social capital with the underpinning of social enterprise theory and practice. The stakeholder and membership models have been compared and similarities have been drawn to the shareholder model of governance. The relationship between the tourism industry and the social and economic aspects of Vancouver Island communities in a rural tourism context has also been explored. The challenges of defining rurality have been addressed and several methods reviewed, however, no single definition has been identified to satisfy all aspects of the notion. However, for the purposes of the study, a straightforward population density measure provides a basic distinction between rural and urban communities. A principal purpose of the study is to measure survey respondents' perceptions of rurality as primary research, which may provide a platform for further study.

There appears to be little, if any, comparisons of membership model and stakeholder model in the rural context in the literature, which is the basic premise for this study. The structure of the primary research component of the study is informed partly by the literature review.

Chapter Three

Methodology

According to its website, the Tourism Association of Vancouver Island is:

A destination marketing organization whose vision is “To Position the Vancouver Island Region as a Premier Destination”. The organization is a not for profit association representing the tourism stakeholders within the Vancouver Island region, which includes all the islands located between Vancouver Island and the mainland coast and also includes coastal areas of the mainland coast between Moses and Bute Inlets. (Tourism Vancouver Island n.d.)

In order for Tourism Vancouver Island to achieve its stated mandate, the organization is contracted by Tourism British Columbia (TBC)—a crown corporation—to deliver marketing initiatives in partnership with Tourism Vancouver Island’s stakeholders. A stakeholder is considered to be any organization or individual who participates in the tourism industry in the Vancouver Island region [technically the region represented by Tourism Vancouver Island is Vancouver Island including Victoria, and the Gulf Islands].

Tourism Vancouver Island recently moved away from the traditional fee-based membership model to the stakeholder model which supports the concept that industry stakeholders can participate in the association’s activities without the additional financial requirement of annual membership dues. Tourism Vancouver Island can be considered an example of social entrepreneurship or enterprise because the association acts as a bridge between government, industry and the community at large. Anecdotally, Tourism Vancouver Island reported a significant increase in active stakeholder participation since the transition between the fee-paying membership model and the non fee-paying stakeholder model.

In broad terms the tourism industry relies heavily on the support of the community at large for tourism initiatives to be effective. This includes development of infrastructure in addition to education initiatives delivered through high school on to college, undergraduate studies and graduate work, as well as working with government and non-profit agencies in areas such as employment initiatives. In addition, Tourism British Columbia provides consulting and marketing assistance to communities who have demonstrated the capacity and political will to embrace tourism as an economic driver.

The study seeks to determine if the transition from the membership model to the stakeholder model is perceived to be effective and how it might affect the future industry, and by extension, the social capital and social fabric of Vancouver Island.

Research was conducted in two phases or stages; Phase One was a series of Personal Interviews; Phase Two was a questionnaire based survey, conducted electronically. The research is intended to gauge the satisfaction levels of stakeholders overall of stakeholders who have demonstrated a degree of satisfaction by supporting programs and initiatives, and also stakeholders who have expressed dissatisfaction by refusing to support Tourism Vancouver Island initiatives. The research also investigates perceptions of rurality and how they relate to the stakeholder and membership models.

Phase One: Personal interviews

The researcher's original intention was to conduct a series of stakeholder focus groups to help inform the questionnaire structure. However, the reality of gathering and facilitating sufficient participants, in addition to coordinating time and place proved difficult, particularly as the research period covered the busy summer tourism season. Instead, a small number (n=8) of 'industry expert' face-to-face interviews were conducted to inform the development of the questionnaire. The interviews were summarized and collated under three main headings or categories: 'Stakeholder Perspective', 'Membership Perspective' and 'Urban and Rural Perspectives'. The intent of these interviews was to inform the development of the questionnaire and to provide a structure to it.

The industry experts represented Destination Marketing Organizations (DMOs), Community Marketing Organizations (CMOs) and private business and were selected by informally contacting personal business acquaintances and colleagues who have comprehensive knowledge and insight relating to the tourism industry and could provide useful 'intelligence' and informed opinion. The interviews provided informed insights and perspectives about the industry, the membership and stakeholder model, and perceptions of rurality. A short set of informal open-ended questions was posed and the interviewees were allowed to respond 'free-flow', rather than being kept to a pre-determined structure. The interviewees were asked to share their thoughts and opinions in regards to the membership and stakeholder models, and also their perceptions of rurality. This method was used to encourage a free-flow of thoughts and responses, although dialogue was controlled to some extent to keep the interviewee on-track. A limitation in this method is that the questions are flexible rather than applied rigidly, and while it gives a body of rich data regarding their views, it does not produce a set of responses that are consistent and ordered in a way that would allow strict comparison and quantification. Nevertheless, the recorded data did help structure the questionnaire.

The DMO and CMO participants were employed in their respective organizations in middle and upper management positions. The private business interviewees worked for, or owned and operated a multi-purpose resort, a transportation company, an outdoor retail store and an outfitting company, respectively. One-to-one interviews were conducted with eight tourism experts using a combination of

audio recording and hand written notes. The interviews were approximately ten-minutes in duration and conducted in June and July 2006. Each interview was transcribed verbatim and then de-identified to assure confidentiality.

After the interviews were transcribed, the key ideas and thoughts were distilled from collected data and condensed into short paragraphs, which are presented in Chapter Four. From the condensed text, some aspects of stakeholders input was the used in developing the questionnaire, in conjunction with, and building on, Montgomery's work on the "...issues shared by professionals living and working in rural communities in British Columbia" (Montgomery 1999).

Phase Two: On-Line questionnaire

Phase Two of the study was an on-line questionnaire delivered to Tourism Vancouver Island's stakeholders' in-house database. Tourism Vancouver Island considers any organizational or individual entity involved in tourism a 'stakeholder' although not all of this group necessarily participate actively in Tourism Vancouver Island's marketing activities. All stakeholders have the opportunity to participate without the requirement of paying membership fees.

An on-line electronic questionnaire format was chosen after considering several delivery methods including face-to-face personal interview, telephone interview and a paper-based mailed questionnaire. Several pragmatic factors were considered in the selection process including time, cost and labour. Ultimately, "...the most challenging aspect of survey methodology is how to conduct studies efficiently and effectively..." (Yin Zhang 1999). Each of the cited methods has its respective strengths and weaknesses and will be reviewed in this section.

Personal interview

There are several strengths to using personal face to face techniques when gathering data. The primary benefit is a high completion rate—an effective interviewer can achieve a 90% completion rate (Davis and Smith 2005). An effective interviewer can also clarify the intent of a question and ensure the survey is completed as originally designed, thereby maximum the proportion of viable questionnaires. This completion is considerably higher than typically achieved using an electronic survey or mailed survey. Since electronic surveys were first implemented, completion rates for electronic surveys have declined from 60-70% in the mid 1980's to completion rates of 20% or lower (Saxon, et al. 2003). However, personal bias by an interviewer or emphasis on certain aspects of a question may cause a respondent to answer differently with different interviewers. Intuitively, it also seems likely that respondents may respond in the way he or she thinks they should respond, rather than how they actually feel. However, interviewer bias can be minimized with experience and training focussed on neutrality and consistency in interview techniques (Davis and Smith 2005).

Another important factor is the very real challenge of entering a respondent's home in light of increased crime rates in some areas, both from the interviewers' and potential interviewees' safety perspective: each might consider that their personal safety may be compromised. In addition, many people who work during the day are unavailable and may also be reluctant to give up personal time to respond to a face-to-face survey (Davis and Smith 2005). For this survey, the overriding reasons not to use face-to-face interviews were expediency and cost.

Face to face personal interviews has two notable advantages over other methods that were considered; a potentially high completion rate and the opportunity for the interviewer to clarify a question in 'real-time'. These advantages were countered by the relatively high degree of time and financial resources necessary to survey a large sample; consequently face to face interviews were not considered further.

Telephone interview

Telephone interviews are considered useful where a respondent may not have access to a computer to answer an electronic survey or are in a remote area where access by a face-to-face interviewer may be problematic. However, telephone interviews are easily 'refused' either by the respondent simply not answering or by call screening, particularly in light of telephone solicitors being unwelcome in many households, and often seen as an invasion of privacy. This particular challenge does not apply so much to business respondents as for private households; however, it is becoming increasingly difficult to conduct telephone surveys (Davis and Smith 2005). However, because the sample population are employees or owners of stakeholder businesses or organizations, telephoning during business hours is a sensitive issue.

For this survey, whatever their advantages and disadvantages, telephone interviews were considered too time consuming and labour intensive in respect to the significant sample population size gathered from Tourism Vancouver Islands' database.

Mail survey

The mail survey eliminates or at least ameliorates some of the challenges presented by the preceding methods. In particular, mail surveys can be distributed to a much larger sample than could be reached by telephone or personal interview. A significant advantage to mail surveys compared to electronic surveys is the inherently low-tech nature of paper and pen and the unlikely event that a software glitch will corrupt the data. While this may be a benefit for an interviewer whose respondents do not have access to a personal computer, this survey is directed to a population sample that uses the technology as part of their work-place and also by virtue of their work (Perkins 2004). Research has also pointed out that considerable natural, financial and human resources—significant quantities of stationary,

rising mail costs and administration in particular—are required to effectively conduct a mail survey (Perkins 2004). Moreover, mail surveys often suffer from poor response rates and untimely returns to the researcher for analysis (Yin Zhang 1999).

According to Perkins, the five most significant benefits of paper surveys include:

- (1) Computer literacy by the participants is not required;
- (2) fewer concerns about the preservation of confidentiality than when a Web-based instrument is used;
- (3) the greater control that can be exercised over the administration on non-electronic instruments...and the correspondingly higher rate of completed responses;
- (4) some individuals in a sample may not have access to the hardware and software required to complete a Web-based instrument; and
- (5) a non-electronic instrument is generally more accessible to groups with limited financial resources...or others that may be underrepresented because they lack computer or Internet access (Perkins 2004)

For this survey, the financial and time resources to conduct a mail survey were unavailable.

Moreover, the population to be surveyed has quality access to internet services. These factors made an electronic survey the most suitable method for this research.

Electronic survey (e.surveys)

Electronic surveys using the internet have become powerful tools and have the potential to conduct surveys effectively and efficiently. While it is uncertain under exactly what conditions e.surveys are effective and efficient, it is apparent that internet based surveys can overcome some of the challenges associated with traditional methods.

According to Perkins, the five most significant benefits of e.surveys include:

- (1) The sampling instrument is available 24-7 (sic) at a location convenient to the respondent;
- (2) less time required for delivery of the instrument to participants, the administrator's receipt of responses, data entry, and analysis and feed back;
- (3) the Web based instrument allows inclusion of text, images and sound;
- (4) direct and accurate electronic transmission (coding and analysis) of quantitative and qualitative data; and
- (5) potential for customized feedback including survey results, supplied directly to the respondents, and based on response content (Perkins 2004).

Further to these factors, other advantages of an e.survey may include accurate real-time data coding and analysis and report generation, recording of open-ended text, ease of data conversion into a spreadsheet format such as MS Excel, secure data storage at a remote location, and freeing up memory on the 'base' computer. For this survey, the factors supporting an e.survey were stronger than

the factors supporting face-to-face personal interviews; telephone interviews; and mailed questionnaires. Several commercial e.survey providers were investigated including Survey Monkey, Zoomerang and Survey Console. Survey Console purported to provide the features described previously and was subsequently selected for this survey.

For this survey, two important and crucial factors were expediency and financial commitment—challenges which precluded using the previously described methods. The on-line survey method was chosen primarily for cost and time limitation reasons as an email data base was already available and in-place prior to the survey delivery. To conduct a telephone survey would be onerous in terms of time required; similarly a mail survey was cost-prohibitive. Further, current on-line survey software can collect and collate data very efficiently and cost effectively using existing database e-mail address as the target sample. Currently, Tourism Vancouver Island's database contains some five thousand entries all with some connection to Vancouver Island's tourism industry. Although traditional methods of selecting a random sample, for example, every fifth entry in a telephone directory, provides a random sample of the population as a whole, the purpose of this specific study was to target the tourism industry in general—targeting *all* stakeholders should provide a broad representation of the entire industry.

A negative aspect of an e-mail survey is the reality of so-called spam being rejected automatically at the recipient's request by Internet Service Providers; however, Tourism Vancouver Island e-mails generally have a high level of acceptance by the industry. Tourism Vancouver Island has policy measures in place to ensure stakeholders are not subjected to excessive or superfluous mass e-mail-outs, thereby ensuring a reasonable acceptance of e-mails from the organization.

An initial introduction to the survey was distributed a week or so before the questionnaire was sent out to the stakeholder database. A dedicated URL was allocated by the questionnaire service provider, which is accessed by the researcher/investigator to collect the completed questionnaires. The results were collated and subsequently exported to an Excel spreadsheet, which was imported into a statistical software program—in this case SPSS—where the results were analysed.

After a week a follow-up letter was distributed to the stakeholder e-mail database to encourage further participation, and, finally, a Thank-You letter was distributed after a week or so from the follow-up letter. Participants had the opportunity to receive a copy of the survey results, which will also be posted on Tourism Vancouver Island's main website.

Questionnaire item description

This section briefly describes the question items and the rationale for their inclusion in the questionnaire. The questions were grouped together to form a logical sequence starting with a broad descriptor of the stakeholder organizations function and legal structure, marketing methods employed, and geographical locations in Questions One through Six. The next series—Questions Seven and Eight—ask the respondent about their perceptions of rurality. Questions Nine and Ten focus on the degree to which stakeholders are assisted by government and the volunteer sector. Questions Eleven to Fourteen attempt to define how stakeholders perceive differences between the stakeholder and membership models. Lastly, Questions Fifteen to Eighteen investigate respondents' perceptions of the significance of the tourism industry to Vancouver Island's economy and social fabric.

Question 1 and 2 describes the eight Canadian tourism industry sectors according to their function and asks the respondent to self-classify in which sector they primarily operate (Howell, et al. 1998). In older texts 'Adventure Tourism and Recreation' is generally used as a descriptor. However, according to Tourism British Columbia, current terminology has embraced the more general term 'Nature-Based Tourism' (Tourism BC 2005).

Question 3 asks the respondent to self-classify the legal structure of their organization. In general terms, Sole Proprietorship, Partnerships—limited or general—and Corporation are the legal descriptions of for-profit organizations (Small Business BC 2006) although societies and associations can also incorporate. Co-operatives can be for-profit or not-for-profit organizations—under the co-operative model, members own the organization via a nominal paid membership and are 'owner-managers' of the organizations (B.C Business Co-operatives n.d.).

Societies are always not-for-profit and can be incorporated like a for-profit corporation. Smaller non-profits are often unincorporated because of cost and formal annual reporting requirements (Small Business BC 2006).

Question 4 asks the respondent to match their organization to one of a list of organization types involved in Vancouver Island's tourism industry and represents a comprehensive breakdown of Tourism Vancouver Island stakeholders (Tourism Association Vancouver Island 2006).

Question 5 asks the respondent to identify which of the marketing methods they employed that are also generally used in the tourism industry as a whole (Bowen et al. 1998). The question also examines the participation in Tourism Vancouver Island advertising initiatives and marketing programs (Tourism Association Vancouver Island 2006).

Question 6 determines the geographical location of stakeholder organizations broken down by tourism regions, which are established by Tourism Vancouver Island and Tourism British Columbia (Tourism Association Vancouver Island 2006).

Question 7 assesses stakeholders' perceptions of rurality. Defining rurality objectively is difficult because what determines 'rural' is often dependent on a subjective point of view. The sub-questions asked in this section are based on 'human considerations' rather than scientific or government determinations of perceived isolation and geographical factors, such as population densities and distances between communities. Defining rurality in isolation terms is especially problematic since an individual can also feel isolated by culture or socio-economic factors in an urban or metropolitan centre. Conversely, an individual may not feel especially isolated in a remote community simply because of geographical factors (Cameron-Jackson 1995).

Question 8 is an open ended text question asking respondents to comment on their perceptions of rural living. The question was deliberately neutral as respondents were urban and rural residents.

Question 9 assesses the degree to which organizations are assisted by government funding such as Targeted Wage Subsidies (Human Resources Development Canada 2006) and Summer Career Placement programs (Human Resources Development Canada 2006). These programs are available to non-profit and for profit alike through Service Canada (Human Resources Development Canada 2006). Foundations, such as the Vancouver Foundation, can assist organizations with operational, capital and project funding depending on the award criteria of the specific foundation (Vancouver Foundation 2006).

Question 10 asks the respondent to estimate the level of voluntary support both financial and non-financial for their organizations. While the level of volunteer involvement in tourism is likely minimal, the volunteer section is an important component of the Canadian economy and plays an important role in the notion of social capital and social enterprise in the social economy (Pinney et al. 2004).

Culture and recreation attracts the most volunteers in the voluntary sector and accounts for \$3.6 billion of volunteer work followed by social services (\$2.9 billion), religion (\$2.3 billion), and education and research (\$1.5 billion). These four groups accounted for nearly three-quarters of the value of volunteer work in 2000 (Statistics Canada 2005).

Question 11 examines the differences and perceived differences between the membership model and the stakeholder model. In the context of Tourism Vancouver Island, all tourism related organizations

are considered to be Stakeholders, whereas, the membership model—previously followed by Tourism Vancouver Island—is based on an annual fee as a pre-condition for participation in marketing and any other program offered by Tourism Vancouver Island. The sub-questions were arrived at by informal discussions with Tourism Vancouver Island personnel based on subjective opinion and ideas. There appears to be a dearth of formal research in this area—consequently ‘tested’ theories of ‘membership’ are currently limited or unavailable.

Questions 12 asks subjective opinions of the respondents to determine whether the stakeholder model is more or less effective than the membership model based on the stakeholders preference and the level of participation in Tourism Vancouver Island’s programs.

Question 13 builds on question 12 by asking respondents to share their thoughts and feelings about the two different models in an open-text format.

Question 14 asks respondents if they have participated in more or fewer marketing programs since the transition from the membership model to the stakeholder model.

Question 15 and 16 asks the respondent to subjectively rate the significance of CMOs and DMOs for Vancouver Island’s tourism industry. The two types of marketing organization has been separated for these questions because CMOs are generally membership based, whereas DMOs are typically based on the stakeholder model, but not exclusively so.

Similarly, Questions 17-18 request subjective responses based on the respondents perceptions of the tourism industry’s contribution to the social and economic well-being of Vancouver Island residents. These questions are designed to make a link between the notion of social capital and social enterprise and how the tourism industry relates to these ideas, and to help understand how stakeholders perceive the utility of the tourism industry in relation to the social fabric of Vancouver Island.

Validity

Expressed simply, validity is “...measuring what is supposed to be measured” (Davis and Smith 2005). This survey was intended to measure the perceived effectiveness of the stakeholder model in a rural tourism context. Additionally, the survey attempted to find a relationship or a link between social capital and social enterprise in the rural tourism context and to further investigate perceptions of rurality both from an urban and non-urban population based on previously conducted research. Concurrently, general data was collected by asking stakeholders questions about their marketing methods, the nature and structure of their business, regional location in addition to their perceptions and beliefs about the effectiveness of the stakeholder model and perceptions of the relationship

between DMOs, CMOs and the economic and social well-being of the community at large. The questionnaire asked the respondent the preceding questions to provide validity to the survey; the basis for their inclusion is also noted.

Reliability

Reliability can be defined as the “Extent to which a test or inventory is consistent in its evaluation of the same individuals” (Davis and Smith 2005). Reliability can be shown by administering the same questionnaire to the same group, although intuitively it seems likely that respondents would base their responses by remembering how they answered originally (Davis and Smith 2005). However, reliability tests can be run using software analysis programs such as SPSS that perform a ‘split analysis’, which simulates administering the survey again to the same group by taking the existing data, randomly dividing the data into two and re-running the analysis. If the second results are consistent with the initial results, then it can be reasonably stated the data was reliable.

A t-test analysis was used to arrive at a significance value throughout the survey. The statistical T-Test is used, because when using sample data, there are two possible interpretations of the results:

- the sample reflects the true differences in the population;
- the apparent differences in response may be caused by sampling effects (error).

If this probability is ‘small’ (.05 or smaller) then sampling effects can be ruled out and it can be *inferred* that the sample does reflect the population. Items that returned a value of less than .05 can be considered to be ‘statistically significant’ and represent a true difference the results. Further analysis can be made using Cronbach’s Alpha test to arrive at a significance value—statistically, a value between .75 and 1.000 is considered to demonstrate ‘good’ reliability—the higher the value, the more reliable the data (McDougall and Munro, 1994).

Population sample

The sample population was taken from Tourism Vancouver Island’s database by estimating the relative proportion of stakeholders in each region and then selecting that number from each region to provide a reasonable weighting between each of the regions. Of the approximately 2,300 e-mail addresses canvassed, 418 started the questionnaire and 263 completed.

The sample included potential respondents from all regions of the organization’s jurisdiction, which is broken down into South Island, Cowichan, Gulf Islands, Central Island, North Central Island and the Pacific Rim. The relative proportions of participants and voting stakeholders is shown in Table 1.

Table 1*Relative proportion of questionnaire participants and voting stakeholders by region*

	n	Respondents	Voting Stakeholders
North Island	42	10.1%	7.0%
Gulf Islands	36	8.7%	7.0%
Cowichan	37	8.9%	10.7%
Pacific Rim	59	14.2%	13.0%
Central Island	83	20.0%	15.0%
North Central	58	13.9%	15.0%
South Island	103	24.8%	30.2%

Tourism Vancouver Island differentiates between voting stakeholders as those having participated in any of Tourism Vancouver Island's marketing opportunities within the last fiscal year, while non-voting stakeholders are those who have not participated in any marketing opportunities during the same period. For the purposes of this study both stakeholder categories were canvassed to respond to the questionnaire to measure a broad cross-section of Tourism Vancouver Island stakeholders. A reasonable assumption is that if a business has participated in a Tourism Vancouver Island marketing initiative that by default they support Tourism Vancouver Island as a whole, however, they may not necessarily support the concept of the stakeholder model in comparison to the membership model.

Summary

The study sought to determine if the transition from the membership model to the stakeholder model is perceived to be effective and how it might affect the future industry, and by extension, the social capital, social enterprise and social fabric of Vancouver Island. The study also considered the tourism industry from the perspective of rural and urban respondents in the context of rural attributes. The research methodology was developed by reviewing the literature and conducting a series of interviews with a small group of industry experts, which helped inform questionnaire structure and design. The questionnaire was delivered electronically to a sample of Vancouver Island tourism industry participants. Finally, the data was analysed, summarized and discussed in Chapter Four: Results and Discussion.

Chapter Four

Results and Discussion

A multilayered approach to Tourism Destination Marketing is employed in Canada. The first layer is the national level: the Canadian Tourism Commission (CTC) markets Canada as a destination internationally to developed and emerging markets. The next layers are Provincial Destination Marketing Organizations, and Regional Destination Marketing Organizations. Provincial Destination Marketing Organizations include Tourism British Columbia, which markets in regions where the CTC has established Canada as a viable and attractive destination. Regional Destination Marketing Organizations include Tourism Vancouver Island, which markets in ‘close-in’ markets that the Provincial Destination Marketing Organizations have established as viable destinations outside its immediate region. Tourism Vancouver Island markets in British Columbia, Alberta, the Pacific Northwest, and other Canadian regions. The final layers are Community Destination Marketing Organizations, which also market to regions targeted by the provincial and regional destination marketing organizations. These organizations market their communities to Vancouver and British Columbia’s lower mainland region, as well as to other Vancouver Island regions and communities.

Tourism British Columbia is a Crown Corporation, which is funded primarily by the Provincial Government; in turn, Tourism Vancouver Island is contracted by Tourism British Columbia to market Vancouver Island. Community Marketing Organizations are generally supported by a combination of municipal funding, Municipal or City hotel room taxes, and membership fees. All three levels of Destination Marketing Organization also initiate fee-based marketing programs to augment revenues. Virtually all British Columbia Community Destination Organizations are administered under the membership model in contrast to the majority of Regional Destination Marketing Organizations which use the stakeholder model.

Tourism Vancouver Island categorizes two levels of ‘stakeholder’: (i) non-voting stakeholder and (ii) voting stakeholder. Tourism Vancouver Island broadly defines an industry stakeholder as any business or organization that meets Tourism British Columbia’s criteria for a tourism business (see appendix A). A voting stakeholder is further defined as a stakeholder who has participated financially in at least one program within the current fiscal year.

Historically, Regional Destination Marketing Organizations and Community Marketing Organizations have been not-for-profit membership based organizations, which require a membership fee to participate in any marketing programs or initiatives. This approach is often perceived as a financial barrier by the tourism industry. In April 2004, Tourism Vancouver Island adopted a stakeholder

model to effectively remove the financial barrier—the membership fee—to program participation. A key component of the stakeholder model is that any tourism stakeholder that matches Tourism British Columbia’s criteria as a tourism business or organization can participate in a program or initiative on a ‘pay to play’ basis. Currently, all but one of the six British Columbia regional Destination Marketing Organizations has adopted the stakeholder model.

This study examines several aspects of Vancouver Island’s tourism industry and Tourism Vancouver Island in addition to analysing the effectiveness of the stakeholder model compared to the membership model. The study is further focussed by comparing the two models from a rural perspective within the conceptual context of social enterprise.

Social enterprise is defined by the Social Enterprise Alliance (SOE) as “Any earned-income business or strategy undertaken by a nonprofit for the purpose of generating revenue in support of the nonprofit’s social mission.” The SOE further defines Social Entrepreneurship as “The art of persistently and creatively leveraging resources to capitalize upon marketplace opportunities in order to achieve sustainable social change” (Social Enterprise Alliance n.d.).

The study attempts to determine whether the transition from the membership model to the stakeholder model has been effective and how it might affect the future industry, and by extension, the social and economic well-being of Vancouver Island. Further, the study attempts to help clarify how effective these initiatives are in the rural context and to measure the effectiveness of the stakeholder model, also in the rural context. The study is important because of **the relationship between social enterprise, which is represented here by an egalitarian business concept—the stakeholder model—and rural tourism, which is a significant component of Vancouver Island’s social and economic fabric.**

The study also considers the notion that **rural residents are more likely to support social enterprise** (in this study, a stakeholder based not-for-profit tourism marketing organization), than urban residents. One of the more challenging aspects of this study is to succinctly define the terms ‘rural’ and ‘urban’. For the purpose of this chapter, the population density rural definition used by the Canadian government for ‘[census] rural’ will apply; *Census Rural* describes communities outside population centres of 1,000 persons or more.

The relationship between social enterprise and not-for-profit organizations occurs, typically, when not-for-profit organizations or agencies assume responsibility for tasks or actions that were previously performed by government. These functions are generally performed on a fee-for-service basis, which is used for operational and core funding.

The exemplar in this study is Tourism Vancouver Island, a Regional Destination Marketing Organization, which does indeed operate under the terms of the preceding definition, with the caveat that the primary beneficiary of their activities is the primarily commercial tourism industry itself. An important element of this study is to determine whether Vancouver Island's tourism industry, and by association, Tourism Vancouver Island, is an agent of sustainable social change.

An aspect of the research is to gauge the satisfaction levels of stakeholders overall, not only the stakeholders who have demonstrated satisfaction by supporting programs and initiatives, but also stakeholders who have expressed dissatisfaction by not supporting Tourism Vancouver Island initiatives. Research was conducted in two phases or stages. Phase One was a series of personal interviews. Phase Two was a questionnaire conducted electronically.

Personal interviews (Phase 1)

A group of industry experts (n=8) were selected to participate in a series of personal interviews in order to 1) inform the study and 2) aid in the development of the questionnaire. The participants combined industry expertise and experience and focussed the topic areas for the electronic questionnaire, in addition to providing valuable anecdotal insight and informed opinion about the industry. The participants also helped clarify the role of the tourism destination marketing organizations from rural and urban perspectives.

The interviews were analysed and sectioned under three main headings or categories: 'Respondents' Perspective of the Stakeholder Model', 'Respondents' Perspective of the Membership Model' and 'Respondents' Perspective of Urban and Rural Environments'.

The interviewees represented Destination Marketing Organizations (DMOs), Community Marketing Organizations (CMOs), and private business and were selected through informally contacting business acquaintances and industry colleagues who were considered to have knowledge and insight to the tourism industry and could provide useful 'intelligence' and informed opinion. The expert opinion garnered through the interviews provided valuable insights and perspectives about the industry; perspectives of the membership and stakeholder model; and the way respondents perceived differences between rural and urban environments.

A short set of informal open-ended questions was posed and the interviewees were allowed to respond 'free-flow', rather than being kept to a fixed structure. The interviewees were, essentially, asked to verbalise their thought and opinions in regards to the membership and stakeholder models, and also

their perceptions of rurality. This method was used to encourage a free-flow of thoughts and responses, which was perceived to be the major benefit, although dialogue was controlled to some extent to keep the subject on-track. The downside of this method is that the questions were not applied rigidly enough to garner a consistent and ordered set of responses—nevertheless, the recorded data did help structure the questionnaire.

The DMO and CMO participants worked in their respective organizations in middle and upper management positions. The private business interviewees worked, or owned and operated a multi-purpose resort, a transportation company, an outdoor retail store and an outfitting company, respectively. One-to-one interviews were conducted with 8 tourism professionals using a combination of audio recording and hand written notes. The interviews were approximately ten-minutes in duration and conducted in June and July 2006. Each interview was transcribed verbatim and the recordings subsequently erased to assure confidentiality.

Respondents' Perspectives of the Stakeholder Model

The majority of respondents said that a major strength of the stakeholder model was that it allowed equal representation of all tourism ventures regardless of size or location and several of them reiterated this point in a range of contexts within their interviews. Typical responses cited the idea of a 'level playing field' and less likelihood of needing to be part of the 'old boys club' in comparison with the membership model.

Respondents felt overall that there was broader representation of the tourism industry because marketing initiatives focus on the Destination (Vancouver Island) rather than specific communities or businesses. The perspective that government resources were more equitably accessed through the stakeholder model was also a recurring theme. One comment from a marketing manager helps encapsulate this "[The] Stakeholder [model] eliminates barriers and allows all players access to government dollars; opens doors to the small players—very beneficial." Further comments focused on a broader spectrum of involvement under the stakeholder model because marketing activities were not limited to the membership roster.

Stakeholder long-term planning and long-term sustainability themes also recurred—the perception is that stakeholder driven organizations do not have a regular and predictable membership fee income and would by necessity, have to have a long term plan in place. These perceptions are reflected in comments such as:

“Stakeholder organizations would have a strong long-term plan, objectives, goals because they don’t have a membership income.”

“Stakeholder organization would probably be very sustainable for the long term.”

“Stakeholder model long term vision would likely be stronger than the membership model.”

The maturity of stakeholder driven organizations was identified as an important factor for membership-driven organizations to make the transition to the stakeholder model. When asked whether her organization would adopt the stakeholder model in the near to medium future, a respondent summarized thus:

“A stakeholder model wouldn’t work in this [our] member environment, but maybe in a few years when Nanaimo becomes more developed and we have a stronger [economic] base—a bit more savvy on the local member [stakeholder] part—that would be a good time to look at it [the stakeholder model].... There needs to be a critical mass—a certain level of maturity—they’re pretty much in the same ball park [but] there’s no-one really leading the pack—although everyone pretty much gets the general gist of it [the stakeholder model]—[and makes the transition] this is when the industry ‘gets it’.”

The perception is that if a membership-driven organization wanted to make the transition to the stakeholder model, the organization would have to have attained a critical mass to function in the immediate and long term future. The organization would also have to have the willingness and appetite to lose membership fee revenue in exchange for potential broader industry participation. This perception is loosely connected to the preceding comments relating to long-term vision and sustainability—perhaps the underlying notion is that stakeholder models are less dependent on year-to-year fee collection to sustain their organizations. The reality is that the stakeholder organization in this study builds administration fees into their programs to generate the revenue necessary to function on a day to-day basis. As observed by a DMO Marketing Manager:

“The [appeal of the] Stakeholder model is not so much about the membership itself; it’s more about the philosophy of removing the membership fee.”

Regardless of how revenue is generated, the overall theme that stakeholders could participate at any level of marketing without the additional membership fee was quite strong, as was the perception that stakeholder organizations have more flexibility to create programs without the need to consult membership on all decisions. The converse side to this perception is that an organization or business with a marketing budget can likely afford the membership fee anyway and includes it as normal cost of ‘doing business’. Further, a respondent commented that stakeholder activities, as delivered through marketing programs, were becoming ‘just something else to buy—another commodity’ whereas member organizations offered more networking and social opportunities, in addition to marketing programs.

Another significant and recurring aspect of the stakeholder model is that participants understand exactly what they are getting in a specific marketing program, which allows for less however well-intentioned, unrealistic input and expectations, from the membership body.

“The Stakeholder model eliminates the disproportionate expectations and input of the smaller operator/member.”

“Stakeholders choose what they want to get involved in, as opposed to giving them a core group of deliverables regardless of their needs.”

Respondents’ perspectives of the membership model

While some respondents agreed that the stakeholder model eliminated exclusivity of membership making for a more open organization, membership supporters often felt very strongly that exclusivity and ‘sense of ownership’ was a definite benefit:

“Stakeholder model opponents didn’t want ‘all the little businesses’ to be part of their club.”

“Members know their fees make them one of the owners of the organization—there could be more of a sense of ownership—could be seen as a benefit.”

This sentiment was supported by the premise that members tend to have a greater sense of ownership than is apparent with the stakeholder model, which is not always a positive condition:

“[The] Membership model, by definition, has to ‘listen’ to [their] membership base—often biased and led by ‘vocal minority’.”

“Membership should have more criteria—not anyone should be able to join.”

However, the converse perception is that opportunity for networking and developing close working relationships between membership organizations and their members is greater than with the stakeholder model. A strong theme here is that because a membership fee has been paid, the member expects a direct return on investment, which is often seen as relationship building:

“Members exchange money; buy a membership and expect value.”

“A Membership Organization is obliged to provide them with a service with that membership and often they build very close relationships.”

Similarly, an expectation of a high level of return on investment by members was cited as often unrealistic based on the members’ actual investment—typically \$200-300 per year:

“Members have a lot of expectations for a very small amount of money.”

“Members (often) expect a huge amount in return for that investment—in some cases a completely inordinate amount.”

From a membership organization management perspective, however, traditional reliance on a virtually guaranteed revenue stream is clearly an important factor if a membership organization is contemplating converting to the stakeholder model. Although one of the perceived benefits of the stakeholder model is ease of entry because the membership fee is eliminated, most, if not all, of the interviewees felt that in reality, the membership fee, *per se*, was not an issue, but the notion of exclusivity or ‘having to belong’ was actually more of a barrier to participation in membership-based organizations.

An apparently controversial aspect of Visitor Information Centres (VICs) managed by membership based organizations, is the perceived requirement that VIC counsellors could only refer visitors to their members’ businesses, while stakeholder-based organizations are free to refer the most appropriate business in any given situation. Although this may appear to be fair for the member, the true ‘picture’ of a community’s tourism industry may not be reflected in the VIC counsellor’s referral. However, one CMO marketing manager refuted the claim that this was a requirement by stating that their VIC counsellors had to refer three members first, and could then refer non-members to the visitor.

A significant theme cited was the reality of larger industry ‘players’ having a greater influence on day to day management of a membership organization because their financial participation is often disproportionate relative to smaller less well financed operations.

Respondents’ perspectives of urban and rural environments

The rural perspective is important to this study because much of Vancouver Island’s tourism industry either operates in a non-urban environment and/or is dependent on the image of Vancouver Island as a region of scenic beauty. The rural perspective is also considered because there may be a difference in the effectiveness of the stakeholder model compared to the membership model in a rural setting relative to an urban setting. One of the purposes of the study is to attempt to discover if there is a difference in the effectiveness of the stakeholder model in rural and urban settings.

The rural perspectives aspects of the interviews seemed to be the most challenging for the interviewees to answer or provide a response. In the preceding sections there seemed to be a reasonable consensus on the major discussion points or at least some clear indication of an opposite perspective. In contrast, the rural perspective elicited quite disparate comments—some of the comments suggested conflicting ideas of what rurality might actually be.

Typically, rural operators were perceived as being less in touch with issues that affected them, with the contrary proviso that technology has blurred the spatial distinctions between rural and urban. Interestingly, only one respondent did not automatically relate rural communities as being ‘small’ by definition, which underscores the difficulties associated with defining rurality.

“I think that in a rural community which tends to smaller, they tend to know each other and have a closer relationship where they tend to know each other one-on-one—urban communities tend to be bigger depending on the population.”

Generally, rural communities were perceived as having a greater sense of community and that businesses were more likely to be smaller and family owned and operated. Further, rural businesses were perceived as making business decision based on subjective personal or family necessity, rather than as an objective business decision. This perception was reinforced by the notion that people in rural communities tend to know each other personally and outside of business.

When asked if the stakeholder model could be applied equally effectively in rural or urban areas, most interviewees said that the stakeholder model may be more acceptable to rural operators as the cost to participate was not based on membership fees:

“Rural small town operators might support the stakeholder model because they don’t pay a membership fee—they only pay for participation in what they want.”

Conversely, the notion that people in smaller communities ‘are used to joining things’ as part of a closer knit society seemed to be a recurring theme. This was reinforced by the idea that rural communities may see a greater value in a membership organization:

“Rural community have closer relationships and see the value of an organization that’s charging a membership.”

“[People in] rural environments are more likely to work together to communicate out of necessity than in an urban environment where communication primarily benefits the business.”

This was countered by comments suggesting that in reality rural communities may not work as well together as suggested by the previous statements:

“[Rural operators] are less savvy about the benefits of working together.”

“[Rural operators] are less likely to share information and cooperate with each other.”

“[Rural operators] are scared that ‘someone else’ was taking their share of the pie, rather than working together to increase the size of the pie.”

Summary of Expert Opinion Interviews

Generally, there was less absolute support from the industry experts for the stakeholder model than originally anticipated. The assumption was that the stakeholder model would almost be automatically supported primarily because the membership fee structure was eliminated, and this appeared not to be the case. However, the overall perception was that the stakeholder model is more accessible to the industry overall, and less prone to ‘the vocal minority’ or conversely the ‘big players’ swaying management decisions.

The membership model had greater support than anticipated, primarily based on the perception that exclusivity is often preferable to an open-door ‘anyone who can pay is welcome’ philosophy. Conversely, the exclusivity factor was also cited as the most significant disadvantage of the membership model.

The role of either model in rural terms appeared to be the most challenging aspect of the interviews for the respondents, perhaps because respondents were confusing ‘remote’ with ‘rural’. In one way or another, almost all respondents commented that they “...hadn’t ever really thought about it [rurality]...” in “...the stakeholder/membership context.” The definitive conclusion of what rurality actually is, proved to be just as elusive, personal and situational as the preceding literature review has attempted to identify.

The interviews were a valuable process that provided a basis for the Survey Questionnaire items, as well as refining and focussing the purpose and outcomes of the study.

On-line survey of Stakeholders

The purpose of this part of the study was to help understand stakeholder’s attitudes and perspectives towards the effectiveness of the stakeholder and membership models, the concept of rurality, and how tourism may affect the social and economic fabric of Vancouver Island. In addition questions were asked to gather information pertaining to business or organization classification, type of business conducted, location, marketing methods used, and the degree of government and voluntary involvement.

The Survey questionnaire was delivered on-line to Tourism Vancouver Island’s stakeholders’ in-house database. Tourism Vancouver Island considers any organizational or individual entity involved in tourism a ‘stakeholder’, although not all of this group necessarily participate actively in Tourism

Vancouver Island's marketing activities—all stakeholders have the opportunity to participate without the requirement of paying membership fees.

An on-line electronic questionnaire format was chosen after considering several delivery methods including face-to-face personal interview, telephone interview and a paper-based mailed questionnaire. The results and findings from the on-line questionnaire are discussed in the following section. Approximately 2,300 voting and non-voting stakeholders were contacted to participate in the survey: 418 respondents started the survey and of those, 263 respondents completed the survey. The sample was arrived at by taking a proportionate number of voting and non-voting stakeholders from Tourism Vancouver Island's database representing each of the regions by relative percentage. The relative percentages are noted in Table 1 'Location of Business/Organization'. Detailed Tables are found in the Appendix.

Description of the tourism industry on Vancouver Island

Introduction

This section is intended to provide an overview of Vancouver Island's tourism industry and investigates how businesses are classified by industry sector; what their primary services are; their legal structure; and organization type. This section also explores how they market their organizations and where they are located. Further into the study, the terms 'Urban' and 'Rural' are used to help clarify if there are differences between urban and rural stakeholder perceptions. The caveat here is that it is very difficult to measure rurality purely in numerical terms such as population densities and distance from other population centres. This subject is explored more thoroughly in the literature review; however, for the purposes of this chapter, the South Island; Cowichan; and Central Island regions are considered relatively urban, while the North Central; North Island; Pacific Rim and the Gulf Islands regions can be considered relatively rural. This classification is based on relative population densities.

Discussion

Question One was asked in order to form a 'picture' of how the Vancouver Island's Tourism Industry is structured by industry sector and what their primary service(s) are.

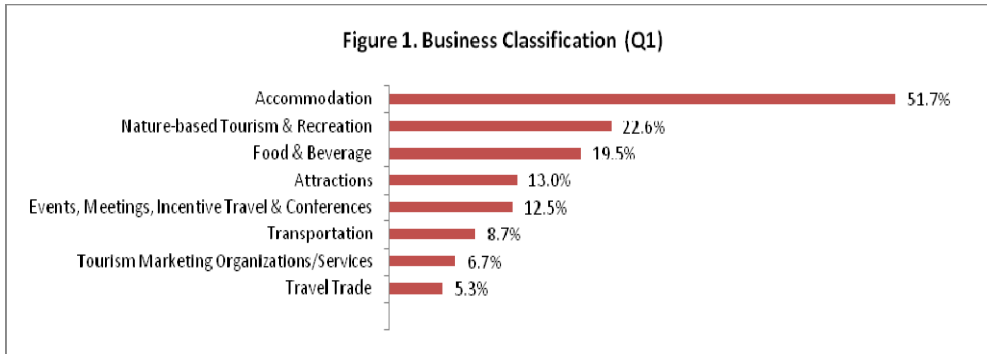


Figure 1. Business Classification

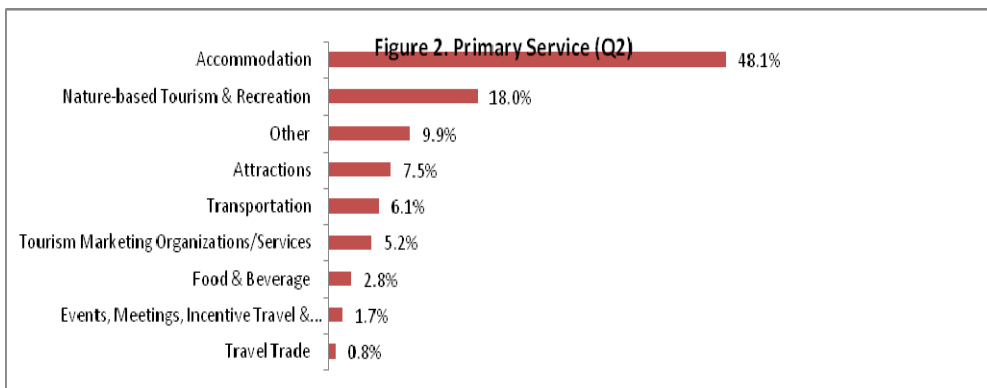


Figure 2. Primary Service

Respondents to Q1 Business Classification were asked to respond to as many industry sectors that applied to their organization hence the sum (n=582) is greater than the total number of completed surveys, similarly the total percentages add to greater than 100%. Figure 1 shows that the majority (51.7%) of respondents are involved in the Accommodations sector of the tourism industry. The second highest sector is Nature-based Tourism & Recreation (22.6%), which is higher than the percentage of respondents in the Food & Beverage sector (19.5%).

When asked what their Primary Service (Q2) was, Figure 2 shows that 48.1% reported Accommodation and only 2.8% answered Food & Beverage, which suggests that a number of Accommodation respondents also offer Food & Beverages as secondary services. Similarly, 52 respondents stated that Events, Meetings, Incentive Travel & Conferences were offered as part of their business, whereas six respondents said that it was their Primary Service—this could suggest that at least some Accommodation businesses were able to offer Events, Meetings, Incentive Travel & Conference services.

To what extent the Accommodations were actually able to offer these services is outside the scope of this survey. Almost ten percent of respondents to Q2 reported themselves as ‘Others’. The open text responses included businesses such as golf course, marinas, and limousine services, which could be included in existing categories such as Nature-based Tourism & Recreation, Accommodation, and Transportation respectively.

Question Three and Question Four asked the respondents how their organizations are legally structured and how they classified their own organizations.



Figure 3. Legal Structure of Organization

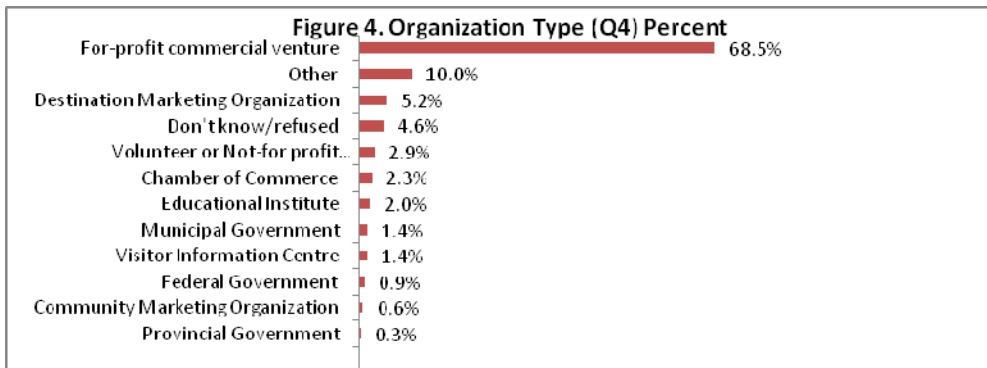


Figure 4. Organization Type

Figure 3 and Figure 4 (n=582) appear to show that not all respondents understand how their organization is classified when comparing ‘Legal Structure of Organization’ with ‘Organization Type’. Legal structure refers to the charters under which their organization is legally structured under federal, provincial and municipal laws. While in Q3, 80% of respondents stated that they were a corporation, partnership or sole proprietorship—all generally functioning ‘for-profit’—68.5% respondents self-reported they are a ‘For-profit commercial venture’ in Q4. More than twice as many respondents did not demonstrate that they know how their organizations are legally structured compared to their self-reported ‘organization type’, which is more open to interpretation than a legal structure. In retrospect, a brief description of legal structures may have helped respondents to answer this question more accurately.

Almost 10% of respondents stated they are ‘Not-for-profit Associations & Society’ in Q3 which somewhat corresponded to Q4’s respondents reporting that combined Destination Marketing Organization, Community Marketing Organization Community Marketing Organization, Chamber of Commerce, Visitor Information Centre, and Volunteer or Not-for profit Society/Association total 12.4%. The slight difference in percentage can perhaps be accounted for as Visitor Information Centres are often administered and run by Chambers of Commerce. This figure (12.4%), while not as great a proportion as for-profit commercial ventures is still substantial and reflects the important role that the not-profit sector plays in society, as well as the tourism industry. It is clear from the data that the majority of tourism organizations are ‘For-profit commercial ventures’, although 17% of organizations are either government or quasi government organizations.

Question Five asked the respondents to identify all marketing methods they used in the course of their business activities (Figure 5).

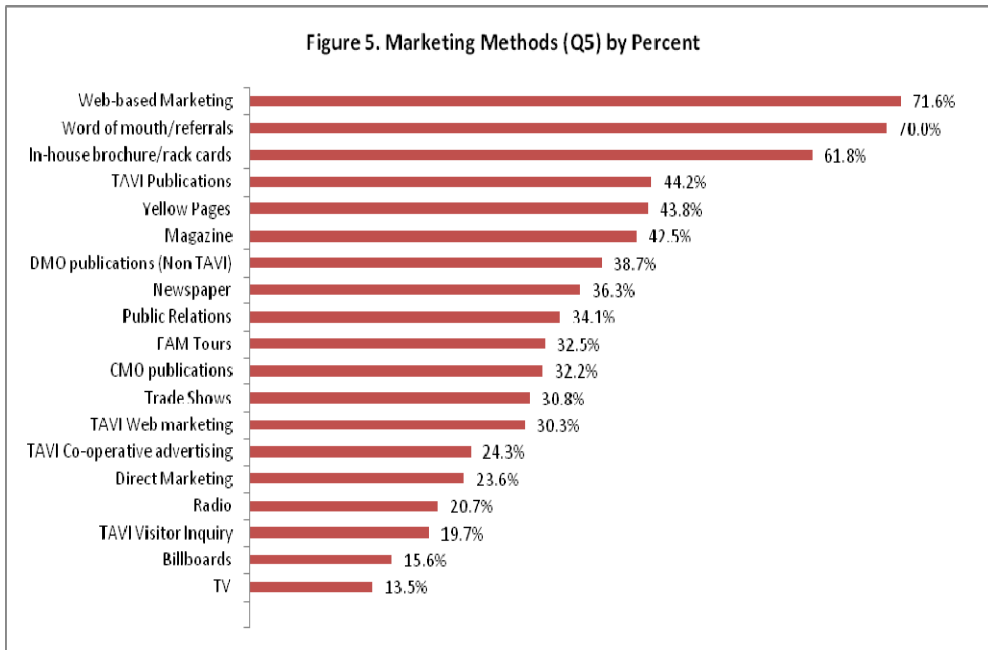


Figure 5. Marketing Methods

The degree to which respondents used the various identified methods varied widely from 13.5% using TV advertising, to 71.6% selecting web based marketing and almost as many reporting ‘word of mouth/referrals’ at 70.0%.

Print based advertising methods ranged between 24.3% and 44.2%, including DMO and CMO publications and conventional mass market vehicles such as newspapers, magazines and Yellow Pages, although a percentage of marketing was achieved through in-house brochures and rack cards at 61.8%, which is almost as high as ‘word of mouth and referrals’ and web-based marketing. TV and Radio trailed at 20.7% and 13.5% respectively, similarly to Billboards (outside advertising) and Direct Marketing at 15.6% and 23.6% respectively.

Almost a third of respondents cited Public Relations activities as a marketing method and 30.8% used trade and consumer shows, while 30.8% used TAVI web marketing. Close to half (44.2%) of respondents participated in TAVI in-house publications, while 24.4% participated in co-operative advertising campaigns which can include newspaper, magazines, TV and radio or a combination of any or all of these methods. Almost 20% used TAVI’s brochure distribution program—about half of those who participate in TAVI in-house publications.

Question Six asked respondents in which geographic region their organization conducted their business activities (Table 2).

Table 2

Location of Business/Organization (Q6)

Region	n	percent	Voting Stakeholders
North Island	42	10.1%	8.0%
Gulf Islands	36	8.7%	8.0%
Cowichan	37	8.9%	10.7%
Pacific Rim	59	14.2%	13.0%
Central Island	83	20.0%	15.0%
North Central	58	13.9%	15.0%
South Island	103	24.8%	30.2%

Urban=South Island+Cowichan+Central Island

Rural= Gulf Island+North Central+North Island+Pacific Rim

The South Island region, which includes the Capital Regional District and has the highest population density, reported the highest proportion at 24.8% and the lowest with the Gulf Islands at 8.7%. The relative proportion of survey respondents and actual 2006 voting stakeholders were similar and is a reasonable geographic reflection of the tourism industry. The survey sample was a random cross section of all (voting and non-voting) stakeholders. Table 2 illustrates that the relative percentage of respondents corresponded reasonably closely, but not precisely, to the percentage breakdown of Tourism Vancouver Island’s voting stakeholders.

For the purposes of this survey, Voting Stakeholders are those who have participated in any Tourism Vancouver Island's marketing programs in the 2006 fiscal year and are consequently entitled to vote at the association's Annual General Meeting.

Summary

The majority of Vancouver Island tourism organizations are involved in the accommodation, food and beverage sector, and nature-based activities, and are legally established as Corporations, Sole Proprietorships, or Partnerships and as such are For-profit commercial ventures; Not-for-profit Associations and Co-operatives were the least represented. These enterprises were primarily marketed through the World Wide Web and cited word of mouth/referrals as an important marketing method. Traditional marketing methods such as print, radio, and TV are less used, although many organizations use a variety of marketing methods—the marketing 'mix'—to deliver their message to the consumer.

The majority of organizations were concentrated in the southern, more populated regions of Vancouver Island, although significant tourism industry activity is present throughout the region. The relative percentage of questionnaire respondents reflected the location of voting stakeholders somewhat proportionately as illustrated in Table 1 'Location of Business/organization'.

Perceptions of Rurality

Introduction

This sections attempts to understand how rurality is perceived by tourism industry stakeholders. The data measures perceptions of rurality across the sample in Figure 6 and is then further refined in Table 3 by dividing the sample responses into the seven Island regions as defined by Tourism Vancouver Island. All respondents were asked to disclose their perceptions of rurality from their own perspectives, thereby forming an impression of the way rural residents saw themselves in a rural area and also how urban residents perceived rurality.

Discussion

Question Seven used a Likert Scale for respondents to share their perceptions of rurality or rural life; the purpose of the question is gauge perceptions of rurality from a sample of all Island residents, regardless of their location (Figure 6).

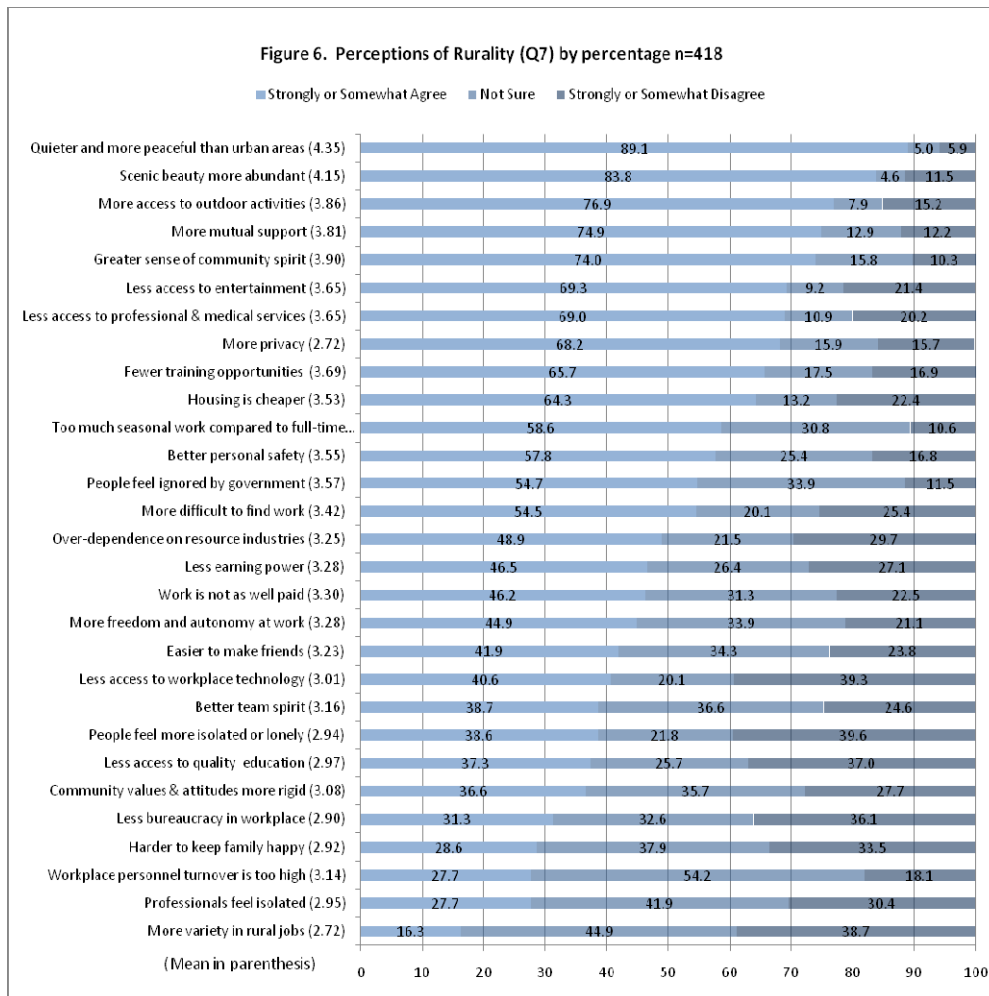


Figure 6. Perceptions of rurality

When respondents were asked if ‘Scenic beauty is more abundant’, 83.8% either ‘somewhat agreed’ or ‘strongly agreed’, the remaining 17.2% ‘strongly disagreed’, ‘somewhat agreed’ or were ‘not sure’. Although this item might appear to generate the most obviously predictable response, the perception of ‘abundant scenic beauty’ is by no means unanimous. Similarly, almost 11% of respondents did not agree with the statement that rural areas are ‘Quieter and more peaceful than urban areas’. While these items in particular appear fairly straightforward, other items were perhaps more difficult for respondents to attach a value. Items that referred to workplace and employment had high ‘Not Sure’ responses. Seasonal employment in rural areas is perceived as being ‘Too much’ compared to full-time employment either ‘somewhat’ or ‘strongly’ by 58.6% of respondents compared with 10.6% who either disagreed or somewhat disagreed with the statement.

The items which respondents shared the highest levels of agreement (over 60%) tended to support the perception that rural areas are:

- quieter and more peaceful than urban area;
- that rural areas are scenically attractive;
- offer greater opportunities to engage in outdoor activities;
- offer more affordable housing;
- more private than rural areas; and,
- that there is a greater sense of community spirit and mutual support.

However, there was also a high level of agreement that:

- there is less access to entertainment;
- less access to professional and medical services; and,
- fewer training opportunities.

Respondents strongly disagreed (less than 40% agreement) that:

- there was greater variety in rural jobs;
- less bureaucracy in the workplace;
- high workplace turnover;
- professionals felt isolated in rural areas;
- community values were too rigid; and,
- that it was harder to keep families happy.

Less access to quality education was the single attribute with which respondents agreed and disagreed equally.

Rural attribute items that respondents were of mixed opinion or not sure (40-60%) were primarily workplace or occupation related. Respondents more or less reported similar levels of agreement and disagreement that:

- it was difficult to find work ;
- there was too much seasonal work;
- there was an overreliance on resource industries;
- there was less access to workplace technology;
- there was less well paid; and,
- there was more autonomy in the workplace.

Respondents were also of mixed opinion in several non-workplace related items, specifically:

- there was better personal safety;
- that is was easier to make friends; and,
- that they felt more or less equally ignored or not ignored by government.

Table 3*Comparing 'Urban' vs. 'Rural' Regarding Perceptions of 'Rural' (Q7) n=303*

Rural Attributes	Mean Urban Response	Mean Rural Response	t-test	Significance
a) Scenic beauty more abundant	4.06	4.33	2.210	0.014
b) Over dependent of resource industries	3.32	3.16	1.291	0.099
c) Personal Safety better	3.50	3.62	1.000	0.159
d) People feel more lonely	2.90	3.01	0.834	0.203
e) Quieter and more peaceful	4.25	4.50	2.346	0.010
f) More difficult to find work	3.46	3.34	0.856	0.197
g) Mutual support of neighbours greater	3.69	4.02	3.023	0.001
h) Less earning power	3.27	3.31	0.337	0.368
i) Greater Sense of community spirit	3.76	4.10	3.007	0.001
j) Quality education not as accessible	2.86	3.17	2.182	0.015
k) Training opportunities not as accessible	3.47	3.92	3.579	0.000
l) Outdoor activities more accessible	3.80	3.94	1.086	0.139
m) Workplace technology less accessible	3.03	2.99	0.233	0.408
n) Medical and Professional services less accessible	3.49	3.84	2.762	0.003
o) Easier to make new friends	3.07	3.50	3.666	0.000
p) Less available entertainment	3.59	3.78	1.423	0.078
q) Professionals feels isolated	2.86	3.09	1.858	0.032
r) Workplace turnover too high	3.00	3.35	2.852	0.002
s) Too much seasonal work	3.46	3.86	3.309	0.000
t) Work less well paid	3.26	3.37	0.780	0.218
u) Less bureaucracy	3.09	2.74	2.422	0.008
v) Better team spirit	3.09	3.32	1.744	0.042
w) More variety in rural jobs	2.78	2.68	0.746	0.223
x) More freedom and autonomy	3.23	3.35	0.851	0.198
y) Community attitudes are more rigid	3.09	3.08	0.055	0.478
z) Feel ignored by government in Victoria	3.45	3.74	2.284	0.012
aa) Housing is cheaper	3.74	3.18	3.494	0.000
ab) Harder to keep the family happy	2.91	3.00	0.648	0.259
ac) More privacy	3.85	3.59	1.801	0.037

Table 3 groups respondents into Urban and Rural based on the relative population densities of the seven regions. South Island, Cowichan, and Central Island are the most densely populated and for purposes of this study are classified as Urban; similarly, North Central, North Island, the Gulf Islands and the Pacific Rim are the least densely populated and are classified as Rural. This is not a perfect classification since there are communities that are densely populated and undeveloped areas of low density population within all the regions.

Further analysis shows that statistically there are several significant differences between perceptions of rurality from urban and rural perspectives. Intuitively it could be stated that rural residents will have a stronger endorsement of rural attributes that urban residents by virtue of the fact that rural residents do indeed live in a rural environment.

A t-test analysis was used to arrive at a significance value on all 29 items in Question Seven. The statistical T-Test is used because when using sample data, there are two possible interpretations of these results:

- the sample reflects the true differences in the population;
- the apparent differences in response may be caused by sampling effects (error).

If this probability is 'small' (.05 or smaller) then sampling effects can be ruled out and it can be *inferred* that the sample does reflect the population. Bolded Items returned a value of less than .05 and can be considered to be 'statistically significant' and represent a true difference in rural perceptions by rural and urban residents. Further, all variables in Question Seven were tested for reliability and returned a Cronbach's Alpha value of .871. Statistically, a value between .75 and 1.000 is considered to demonstrate 'good' reliability—the higher the value; the more reliable the data (McDougall & Munro, 1994).

The attributes which reflected a true difference in rural and urban perceptions—in most cases, but not all, rural respondents agreed more strongly—were:

- Scenic beauty is more abundant;
- Quieter and more peaceful;
- Mutual support of neighbours is greater;
- Greater sense of community spirit;
- Quality education is not as accessible;
- Training opportunities are not as accessible;
- Medical and Professional services are less accessible;
- Easier to make new friends;
- Less available entertainment;
- Professionals feel isolated in their work;
- Workplace turnover was too high;
- Too much seasonal work;
- Less bureaucracy (*urban more agree*);
- Better team spirit;
- Feel ignored by government in Victoria;
- Housing is cheaper (*urban more agree*);
- More privacy (*urban more agree*).

Summary of Question 7 discussion

There does appear to be statistically significant differences in the way urban and rural residents perceive rurality. Data analysis allows the inference that attributes describing quality of life notions such as cheaper housing, scenic beauty and a peaceful community are more strongly perceived in a rural setting; similarly the sense of community values, support of neighbours, privacy and higher levels of teamwork are perceived to be more highly valued.

Social aspects such as entertainment and making friends also appeared to have a greater impact on rural perceptions from rural respondents compared to urban respondents. There is also a greater perception from rural respondents that professionals are more likely to feel isolated in their working capacity than that perceived by urban respondents.

Less positive attributes relating to workplace issues and access to professional services, training opportunities for adults and an overreliance on seasonal work, and high workplace turnover, in addition to apparent concern over quality education for children appear to evoke stronger perceptions from rural respondents than those perceptions reported by urban respondents. Rural respondents also appear to feel more likely to be ignored by provincial government. Urban respondents felt there was less bureaucracy in the rural workplace, that rural housing was cheaper, and there was more privacy in a rural setting.

Question Eight asked respondents to describe their perceptions of rural life from their perspective, which could be either as a rural resident or as an urban resident, in an open ended-format. The responses that recurred the most frequently can be grouped under these themes. Although not absolutely delineated or exact duplicates, the themes do tend to have a common thread running through.

The recurring themes were identified as: cost of living; human resources and employment; transportation; community values; quality of life; and environment. To impart a flavour of these anecdotal perspectives each theme will be followed by comments drawn verbatim from the questionnaire.

Responses relating to cost of living tended to focus on cost of housing, ranging from lower housing costs to higher housing costs—this disparity is likely because housing in rural resort areas are driven by greater demand than in non-resort areas. Other comments focussed on higher labour costs for skilled workers and lower operating costs for businesses overall.

“Cost of housing is more affordable.”

“Cost of living is significantly higher than average (in my particular community). Also there is a lack of affordable housing.”

“Cost of housing is a benefit... [although] the commute to a workplace is a concern.”

“Very hard to and expensive to get sub-trades, i.e., electricians, plumbers, etc.”

“Lower overhead cost if you operate a business and lower cost of living.”

“Fuel/transportation costs.”

Human resource and employment issues generated some of the more lively comments ranging from frustration in contending with poor literacy skills and consistent work force availability, especially in the off-seasons, to frustration at the lack of full-time employment opportunities in small rural communities, and filling professional positions based on “...necessity rather than suitability”. Two comments identified the blurring of the traditional workplace environment by the expansion of electronic commuting and business opportunities supported by technology.

“It is far more difficult to find staff who can actually read and write effectively. Their communication skills are, on average, sorely lacking. Their math skills are not exactly stellar, either. To be blunt they’re dumb as sticks in the sticks.”

“It is harder to get seasonal employees due to travel time/expense.”

“As an employer—I find that the local labour pool is very small and finding qualified staff that live locally in the community is difficult.”

“Difficult to find year-round employment opportunities in small rural communities like Gold River, Tahsis.”

“It may be more difficult to attract to attract professionally trained and/or educated people to live and work in rural areas. As a result, some jobs are filled out of necessity rather than suitability.”

“Personally, I feel that the benefits of urban centres are almost exclusively work related; whereas rural communities can’t offer that but one can lead a rich personal life, somewhat more cost effectively.”

“Working in a rural area has changed dramatically over the past decade with many people producing their work via computer technology. So I think we cannot generalize in such a cut-and-dried way as before...our modern work day boundaries are no longer contingent on where we are physically living. Times have changed!”

“For self-employed people/consultants like me, where we live is a matter of choice thanks to a myriad of technologies to support communication and business activities.”

Transportation issues tended to focus on longer commuting time and access to public transportation, in addition to higher costs incurred because of greater travelling distances.

“Living in a rural area often requires lengthy commutes to and from work”

“Less access to public transportation.”

“...commuting with current highway system if living in rural area, but work in urban area.”

“We receive very little for our tax dollars...riding the ferries—part of our highway system gets very expensive for permanent residents on the Gulf Islands.”

“Public transportation is sorely lacking and Tofino Bus is not doing the job. This impacts access to dental and medical services, hospital services, education programs & [skills] upgrading and basically reinforces the separation between Tofino & Ucluelet.”

“Living in a rural area but working in the city requires a longer commute taking away even more time you can spend with the family. Also adds to daycare costs as the kids have to go there earlier and get picked up later.”

Respondents commenting on community values tended to be positive, generally focusing on the sense of community participation and ‘connectedness’ to their neighbours and environment. Overall, the respondents’ comments evoked a sense of looking out for each other, perhaps in a somewhat unassuming way—that it was natural and genuine to do so, and not an artifice.

“There’s a sense of connectedness, a sense that each person has something of value to offer. This is not always felt in an urban environment.”

“The community is close-knit and therefore look after each other when needed. More privacy and a more laid back life style.”

“Once established and people know you, the help and support is amazing because you’re a ‘local’.”

“One is able to participate in community-minded group activities to keep the quality of life and the environment healthy as well.”

“You are not scared to talk to your neighbours and everyone watches others property, even if you don’t realize it.”

Quality of life is one of the most often cited reasons for people to live in a rural setting and this was supported by respondent’s comments, with the caveat that a least one respondent noting that educational opportunities are fewer than in an urban setting. Quality of life comments were often tied to environmental factors such as cleaner air and less traffic generated stress.

“Just getting away from the hustle and bustle of the urban environment.”

“Slower pace of lifestyle, beauty of area.”

“Better quality of life.”

“Clean air, peacefulness, friendly people, real food, could be beneficial to be self sufficient.”

“Rural communities are less stressful but there are fewer educational opportunities.”

“Life quality (overall) is healthier(more recreational value, quieter, less traffic lowers stress level).”

“Less traffic, less smog, less stress=better life.”

Water quality and management issues were one of the most cited environmental issues or concerns and likely signify infrastructure issues in rural areas that have experienced population growth in

recent years. Other comments touched on a generally cleaner and healthier living environment in rural communities.

“Water quality problems are a serious concern.”

“Consistency of quality of water is worse in rural areas.”

“Water drainage problems! CVRD contracts out its ditch digging to Main Contracting—the result is constant problems with flooding.”

“More secure, much less light and sound pollution. Cleaner outdoor environment.”

Last but not least, the following comments from a single respondent, presented in their entirety, encapsulate many of the anecdotal comments produced in this section of the questionnaire and succinctly paraphrase much of the rationale behind people’s motives for working and living in a rural community, or, alternately, living in a rural community and working in an urban setting.

“I live in a rural area and commute to an urban area. I made the decision to move from an urban setting to a rural setting based on several assumptions, which have, thus far, proven to be valid: lifestyle is greatly enhanced if one enjoys the outdoors and outdoor activities.

Air quality and access to healthier, organic foods is more readily available.

Marketing is by word of mouth!

People seem to be more connected to community events and issues than in an urban environment. For myself and, I believe for my family, the juxtaposition between the more hectic urban environment to a slower paced rural environment provides a healthier balance to what, for us, used to be a very stressful lifestyle. When I leave work I travel 45-minutes to get home and I don’t feel the urge to return. The drive is wind down time that allows me to be “in the moment” and with my family once I get there. Similarly, the drive on the trip allows me to prepare myself for the day ahead. Working in the Food & Beverage Industry at a management level can be extremely stressful and one needs balance to survive.”

In summary, the preceding anecdotal comments reflected a positive perspective of rurality. Most notably comments relating to quality of life and community values reflected strong feelings about the more difficult to define attributes such as ‘neighbourliness’, relative lack of stress and peacefulness. The strongest negative comments tended to focus on more concrete attributes such as seasonal employment and the challenges facing employers in securing literate and qualified workers in the local communities. Technology was noted as a significant factor in the blurring of the rural and urban workplace environment and focussed on the potential for conducting business at a distance, electronically and the very real ability to work without physical boundaries.

Other topics or attributes garnered somewhat ambivalent responses, in particular, cost of living and transportation. Whereas some respondents said it was less expensive to live and operate a business rurally, other said affordable housing was less accessible in rural areas than urban areas.

Transportation responses tended to focus on access to public transport—road and ferry—and higher fuel costs, as well as longer commuting times. Conversely, respondents cited less traffic, less traffic related stress and lower pollution as positive attributes.

Environmental issues focused primarily on water management issues, while other respondents referred to environmental attributes in terms of light, sound and traffic pollution, which can all also be associated with quality of life.

The Degree of Government and Voluntary Involvement in the Tourism Industry

This section seeks to gauge the level of involvement of government, volunteer contributions from all sources including foundations in the tourism industry—in other terms, the involvement of not-for-profit organizations. As noted previously (Figure 4), almost 70% of respondents were self-classified as commercial, for-profit ventures.

Question Nine asked respondents to report the level of funding assistance they received from government and/or foundation funding sources to ascertain what degree of tourism industry businesses and organizations were supported to any extent by government or philanthropic funding organizations.

Table 4

Sources of Government and/or Foundation Funding (Q9) by percentage n=277

	None	< 50%	> 50%	Not Sure
Wage Subsidy	87.2	7.7	0.7	4.4
Operations Funding	88.9	5.4	2.0	3.7
Project Funding	88.2	6.7	1.7	3.4
Consultation Services	91.6	3.7	0.0	4.7
Marketing Assistance	86.5	9.1	0.7	3.7
Other non-monetary support	84.9	7.4	0.7	7.1

Table 5

*Sources of Government and/or Foundation Funding (Q9) by percentage comparing Rural & Urban participants
n=277*

		None	<50%	>50%	Not Sure	Chi Square	Probability
Wage Subsidy	Urban	85.4	9.3	1.3	4.0	3.901	.136
	Rural	90.5	4.8	0.0	4.8		
Operations Funding	Urban	90.1	6.0	2.0	2.0	2.590	.223
	Rural	86.5	5.6	2.4	5.6		
Project Funding	Urban	89.4	6.0	2.0	2.6	1.408	.704
	Rural	85.7	7.9	1.6	4.8		
Consultation Services	Urban	92.1	4.6	0.0	3.3	2.407	.150
	Rural	89.7	3.2	0.0	7.1		
Marketing Assistance	Urban	86.8	7.9	0.7	4.6	.400	.200
	Rural	88.1	7.9	0.8	3.2		
Other non-monetary support	Urban	83.4	7.9	0.7	7.9	.724	.360
	Rural	86.5	5.6	0.8	7.1		

Typical funding sources that could be accessed by tourism industry organizations from the federal government are Summer Career Program and Joint Partnership Programs delivered through Services Canada. Foundation funding to commercial tourism organizations is virtually nil; however, not-for-profit associations and societies have limited access through organizations such as the Vancouver Foundation and various community foundations, as well as other philanthropic entities. Between 85% and 90% of respondents reported that they were not funded in any significant way through Government and/or Foundation funding, although nine percent stated they were assisted ‘less than 50%’ with marketing costs and almost eight percent received wage subsidy for ‘less than 50%’ of their labour costs. The least amount of assistance was reported for Consultation Services at 3.7% funding at ‘less than 50%’. A negligible sample reported having access to any funding at ‘more than 50%’, the highest level being just two-percent. ‘Other’ non-monetary support could include volunteer time and/or donations of goods and services.

Table 5 illustrates that there is negligible differences between government funding and/or foundation assistance between urban and rural environments. Statistically, there are no significant differences in subsidies, although urban and rural organizations both *appear* to benefit from some level of assistance albeit small.

Question Ten asked the respondents to what extent voluntary contributions were of a ‘Time’ or ‘Financial’ nature to establish whether the tourism industry is supported by volunteers in any significant way (Figure 7).

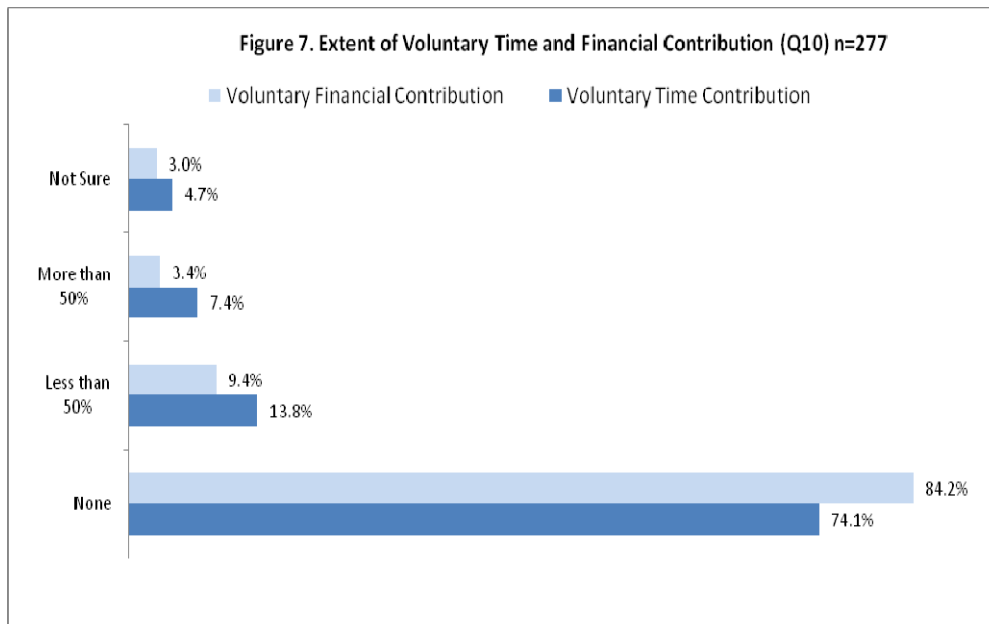


Figure 7. Extent of voluntary time and financial contribution

Table 6

Extent of Financial Contribution (Q10) percentage Urban & Rural n=277

		None	<50%	>50%	Not Sure	Chi-Square	Probability
Voluntary Time Contribution	Urban	71.5	13.9	8.6	6.0	1.809	.307
	Rural	76.2	14.3	6.3	3.2	“	“
Voluntary Financial Contribution	Urban	80.8	11.9	3.3	4.0	3.402	.167
	Rural	88.1	7.1	3.2	1.6	“	“

Volunteer contribution was generally quite low, but higher than government and/or foundation funding reported in Question Nine. There is a greater degree of voluntary time contribution compared to voluntary financial contribution—13.8% reported ‘less than 50%’ voluntary time contribution, whereas 9.4% reported ‘less than 50%’. Overall, however, more than 20% of respondents reported some degree of voluntary time contribution, and just over 12% reported some degree of voluntary financial contribution.

The actual form of either time or financial contribution is open to conjecture and is beyond the scope of this paper. For example, respondents may have reported unpaid overtime as both voluntary time and voluntary financial contribution. Typically, Tourism British Columbia contracted Visitor Information Centres (VICs) operated by Chambers of Commerce and municipal government rely on volunteers to assist in their day-to-day operations. When analysed as urban and rural data in Table 4, it is apparent there is no real difference between financial and time contributions. This appears to

contradict a correlation between the findings from Question Seven relating to perceptions of rural attributes—specifically, that there is a greater sense of community spirit and higher levels of teamwork in a rural setting.

Relative Effectiveness of Stakeholder vs. Membership Model

Question Eleven explored the relative effectiveness of the stakeholder and membership models. This question returned a high level of ‘Not Sure’ responses.

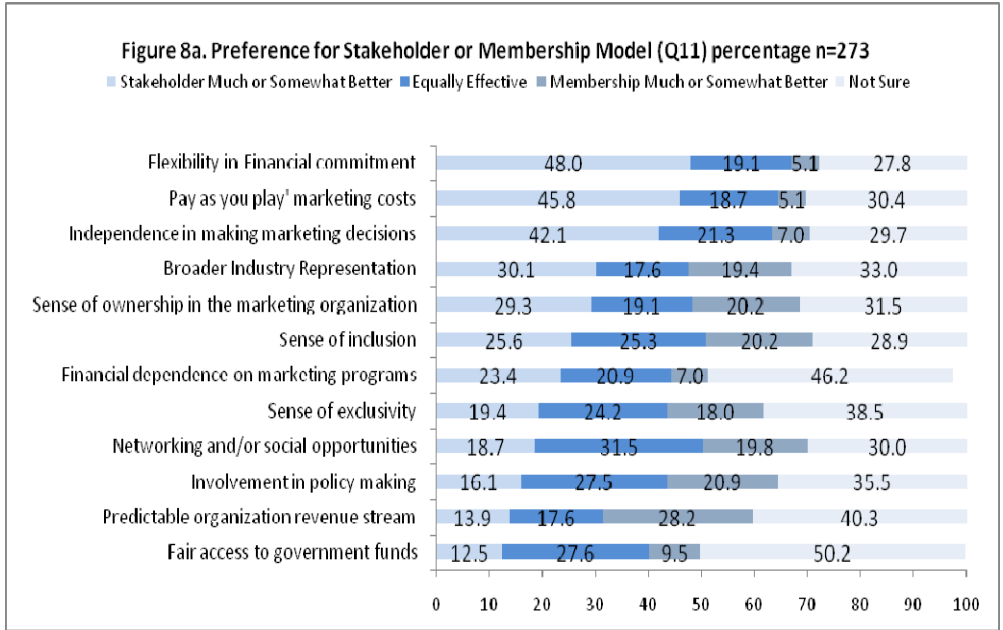


Figure 8a. Preference for stakeholder or membership model

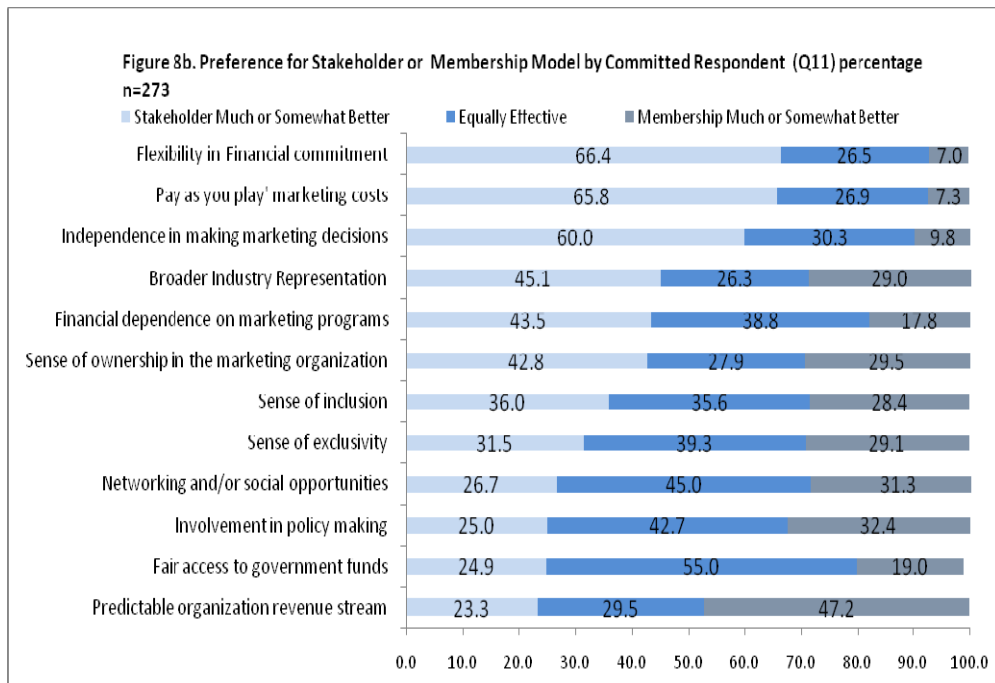


Figure 8b. Preference for stakeholder or membership model by committed respondent

This question will be examined through Figure 8a and Figure 8b in an attempt to analyse the difference in responses when measuring a sample including all those who have *not* committed to a response or an opinion (Figure 8a) and measuring a sample including all those who *did* commit to a response or an opinion (Figure 8b). Caution should be taken in reading the results, however, as it is unclear whether a respondent was 'Not Sure' because he or she was uncommitted or because he or she did not understand the question. In retrospect, a short description explaining the question in greater detail may have helped the respondent answer more decisively.

The widest spread between respondents who thought the stakeholder model was more effective than the membership model was in 'flexibility in financial commitment' at 48%, and 'pay as you play' marketing costs' at 45.8%, compared with the membership model at 5.1% in both categories. Further, those who said both models were equally effective responded with 'flexibility in financial commitment' (19.1%), and 'play as you play' marketing costs' (18.7%), both near the bottom of the 'Equally Effective' list. The stakeholder was ranked as 'more effective' in 'broader industry representation' at 30% compared to 19.4% in the membership model; those who thought both models were 'equally effective' ranked the least at 17.6%.

Respondents ranked both models as 'equally effective' for 'networking and/or social opportunities' (30%), while there was very little difference between those who committed to the stakeholder model and membership model (18.7% and 19.8% respectively). Similarly, there is little difference between

both models when gauging the stakeholder model, compared to 9.5% supporting the membership model, with almost 28% saying both models were equally effective.

One of the greatest differences of opinion was which model was more effective in providing 'independence in making marketing decisions': 42.1% of respondents preferred the stakeholder model, while 7% preferred the membership model. Conversely, 9.5% of respondents supporting the membership model said there was a 'financial dependence on marketing programs' compared to 23.4% of stakeholder model supporters.

Figure 8b is the same as Figure 8a except that the response category 'Not Sure' is omitted and the data re-calculated without an 'uncommitted' category. Thus, the responses are only those from stakeholders who committed to an opinion, which may yield a more accurate impression of the respondents thoughts about this question. Figure 8b can be further refined by combining and ranking respondents opinions of 'Stakeholder Much Better' and 'Somewhat Better' and 'Membership Much Better' and 'Somewhat Better'. The first three characteristics returned Combined Stakeholder Model Much & Somewhat Better rankings of:

- 66.4%—flexibility in financial commitment;
- 65.8%— pay as you play' marketing costs at; and
- 60.0%—independence in making marketing decisions.

These rankings were an inverted mirror image of the last three characteristic rankings Combined Membership Model Much & Somewhat Better rankings, respectively:

- 7.0%—flexibility in financial commitment;
- 7.3%—pay as you play' marketing costs at; and
- 9.8%—independence in making marketing decisions.

Both Models Ranked Equally Effective—ranked the characteristics as follows:

- 26.5%—flexibility in financial commitment;
- 26.9%—pay as you play' marketing costs; and
- 30.3%—independence in making marketing decisions.

All three characteristics ranked higher than Combined Membership Model Much & Somewhat Better, but not as high as Combined Stakeholder Model Much & Somewhat Better.

The Membership model ranked highest for a 'predictable organization revenue stream' at 47.2% combined, compared to 23.3% for the stakeholder model, which was the lowest ranking for the

stakeholder model combined. Almost 30% percent of respondents thought that both models were equally effective for producing a ‘predictable organization revenue stream’.

Respondents thought that the both models were similarly effective for ‘networking and/or social opportunities’ ranking the membership model combined at 31.3% and the stakeholder model combined at 26.7%, compared to both models’ equal effectiveness ranked at 45.0%.

The stakeholder and membership model are considered almost equally effective in providing a ‘sense of exclusivity’ (31.5% and 29.1% combined respectively), compared to those who responded that both models were equally effective (39.3%).

Respondents reported that the membership model is less effective at providing a ‘sense of ownership in the marketing organization, with 29.5% combined compared to the stakeholder model at 42.8% combined and those who thought both models were ‘equally effective’ at 27.9% combined.

Similar responses measured respondents’ attitudes towards a ‘sense of inclusion’ in the stakeholder model at 36% and the membership model at 28.4%; 27.9% thought both models were ‘equally effective’ at 35.6%, all combined.

Fifty-five percent of respondents believe both models offered stakeholders ‘fair access to government funds’ equally effectively, while 19.0% ranked the membership model as ‘effective’, compared to 24.9% who supported the stakeholder model—more than twice as many respondents ranked both models as ‘equally effective’.

Table 7*Urban vs. Rural Perceptions of Stakeholder (Q11) n=273*

	Percentage saying Stakeholder better		Chi. Square	Significance
	Urban	Rural		
a)Fair access to government funds	10.9	13.6	2.756	0.126
b)Broader Industry Representation	26.3	33.9	4.997	0.041
c)Sense of inclusion	21.2	59.7	2.470	0.145
d)Sense of exclusivity	19.0	20.3	0.186	0.455
e)Independence in making marketing decisions	41.6	42.4	1.825	0.200
f)Networking and/or social opportunities	16.1	22.0	1.772	0.206
g)'Pay as you play' marketing costs	43.1	50.0	3.534	0.086
h)Sense of ownership in the marketing organization	27.7	28.8	1.912	0.192
i)Flexibility in Financial commitment	46.0	49.2	0.278	0.435
j)Involvement in policy making	16.1	16.1	0.096	0.477
k)Predictable organization revenue stream	13.9	13.6	2.410	0.150
l)Financial dependence on marketing programs	21.9	23.7	0.857	0.325

Table 8*Urban vs. Rural Perceptions of Membership. (Q11) n=273*

	Percentage saying Membership better		Chi. Square	Significance
	Urban	Rural		
a)Fair access to government funds	11.7	5.9	2.756	0.126
b)Broader Industry Representation	24.1	13.6	4.997	0.041
c)Sense of inclusion	21.9	18.6	2.470	0.145
d)Sense of exclusivity	19.7	17.8	0.186	0.455
e)Independence in making marketing decisions	9.5	5.1	1.825	0.200
f)Networking and/or social opportunities	21.9	17.8	1.772	0.206
g)'Pay as you play' marketing costs	7.3	2.5	3.534	0.086
h)Sense of ownership in the marketing organization	18.2	24.6	1.912	0.192
i)Flexibility in Financial commitment	5.8	5.1	0.278	0.435
j)Involvement in policy making	21.9	20.3	0.096	0.477
k)Predictable organization revenue stream	32.1	23.7	2.410	0.150
l)Financial dependence on marketing programs	10.9	7.6	0.857	0.325

Tables 7 and 8 illustrate differences between urban and rural preferences for the membership model and the stakeholder model. Overall, there is little *statistically* significant difference between rural and urban perceptions with the exception of 'Broader Industry Representation'. As previously noted the greatest difference in stakeholder and membership model preferences were in marketing costs, flexibility in financial commitment and independence in marketing decisions.

There was not as great a difference as originally anticipated in some areas, specifically greater access to government funds, networking and social opportunities, and sense of exclusivity.

Question Twelve (Figure 9) asked the respondents which model was their most preferred way of doing business.

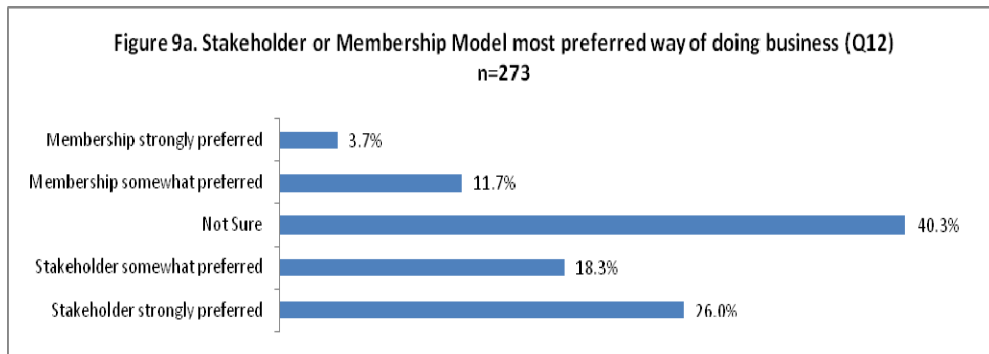


Figure 9. Stakeholder or membership model most preferred way of doing business

The greatest number of respondents (44.3%) said they strongly or somewhat preferred the stakeholder model; 15.4% preferred to do business under the membership model. However, almost as many respondents (40.3%) stated they were ‘Not Sure’. Caution should be taken in reading the results, however, as it is unclear whether a respondent was ‘Not Sure’ because he or she was uncommitted or because he or she did not understand the question. In retrospect, a short description explaining the question in greater detail may have helped the respondent answer more decisively.

Table 9

Stakeholder or Membership Model most preferred way of doing business (Q12) by percentage Urban vs. Rural n=273

	Urban	Rural
Prefer Stakeholder Model	42.3	46.6
Not Sure	39.4	39.8
Prefer Membership Model	18.2	13.6
Chi-square = 2.077, Significance= .050 (<i>Significant</i>)		

When analysed using the chi-square test, a significance value of .050—greater than .05—was returned; therefore there is a statistically significant difference between urban and rural responses when asked about their preference to conduct business under the membership model or the stakeholder model.

Question Fourteen asked respondents whether they had participated in more or fewer programs since the transition from the membership model to the stakeholder model (Figure 10).

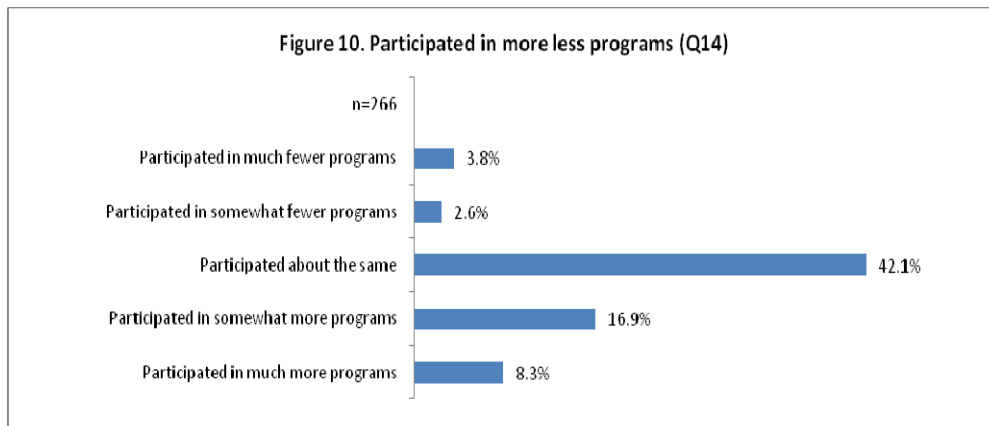


Figure 10. Participated in more or less programs

Since the transition, 25.2% of respondents had increased their program participation either ‘much more’ or ‘somewhat more’, and 6.4% decreased their level of participation. However, the greatest number of respondents (42.1%) stated they ‘participated about the same’. These findings indicate that Vancouver Island’s tourism industry tends to support the stakeholder model and has shown greater support for the stakeholder model than the membership model. This may not necessarily be due to the transition between models—other factors such as improved programs and more effective promotion of programs have not been studied and are outside the scope of this thesis.

Table 10

Participated in more or less programs (Q14) by percentage Urban vs Rural n=181

	Urban	Rural
Participated in fewer programs	27.4	38.4
Participated about the same	61.1	54.7
Participated in more programs	11.6	7.0

Chi-square = 3.013, Significance= .111 (*Not Significant*)

When analysed using the chi-square test, a significance value of .111—greater than .05—was returned; therefore there is statistically no significant difference between urban and rural responses when asked about their level of program participation since the transition from the membership model to the stakeholder model.

Elements of social enterprise

Social enterprise is defined by the Social Enterprise Alliance (SOE) as “Any earned-income business or strategy undertaken by a nonprofit for the purpose of generating revenue in support of the nonprofit’s social mission.” The SOE further defines Social Entrepreneurship as “The art of persistently and creatively leveraging resources to capitalize upon marketplace opportunities in order to achieve sustainable social change” (Social Enterprise Alliance, n.d.).

Conceptually, social enterprises differ fundamentally from commercial enterprises inasmuch as their stated purpose or mission is to “...provide some form of exchange that result in increased social value” (Mort, et al 2003). This is true of Destination and Community Marketing Organizations, which operate under the premise that they need to balance financial needs with their social missions and goals.

One other fundamental difference between social entrepreneurs and commercial organizations is that any revenues surplus to their operation requirements are returned to the social agency and used for future needs, rather than being distributed to shareholders as profit-sharing or dividends. Additionally, social enterprises strive to enhance their social merit for their client—the stakeholder—by finding market opportunities that could enhance economic and social outcomes for stakeholders and the community at large (Mort, et al 2003). In the example of Tourism Vancouver Island as a social enterprise, the organization works directly with the tourism industry stakeholders on a co-operative, shared-cost marketing basis to support the efforts of the industry as whole, and by doing so helps sustain the economic and social well-being of Vancouver Island residents.

Question Fifteen asked respondents what their opinions were regarding the significance of Community Marketing Organizations (CMOs) such as Tourism Nanaimo, Tourism Victoria, Oceanside Tourism etc., is to tourism on Vancouver Island.

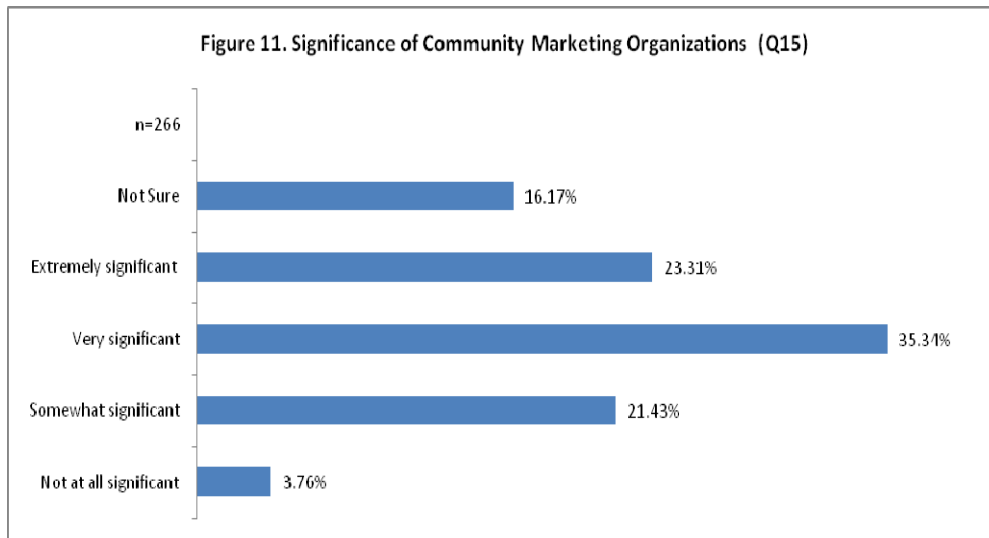


Figure 11. Significance of community marketing organizations

A majority (80%) stated ‘somewhat significant’, ‘very significant’ or ‘extremely significant’, with almost 60% stating that CMOs were either ‘very significant’ or ‘extremely significant’. Respondents who were ‘not sure’ came in at 16.2%, while those who thought CMOs were ‘not at all significant’ measured less than four percent.

Table 11

Significance of Community Marketing Organizations (Q15) by percentage Urban vs. Rural n=209

	Urban	Rural
Not Sure or Somewhat Significant	31.4	27.0
Very or Extremely Significant	68.6	73.0
Chi-square = .470, Significance= .250 (<i>Not Significant</i>)		

Table 10 illustrates there is no statistically significant difference between support for community marketing organizations in urban and rural settings, although support from rural respondents was higher by about five percent. Overall, support for Community Organizations from Urban and Rural respondents, was high; however there was no significant difference between urban and rural respondents.

When analysed using the chi-square test, a significance value of .250—greater than .05—was returned; therefore there is statistically no significant difference between urban and rural responses when asked about the significance of community marketing organizations for Vancouver Island’s tourism industry.

Similarly, Question Sixteen asked respondents their opinions regarding the significance of Destination Marketing Organizations (DMOs) such as Tourism British Columbia and Tourism Vancouver Island for Vancouver Island Tourism

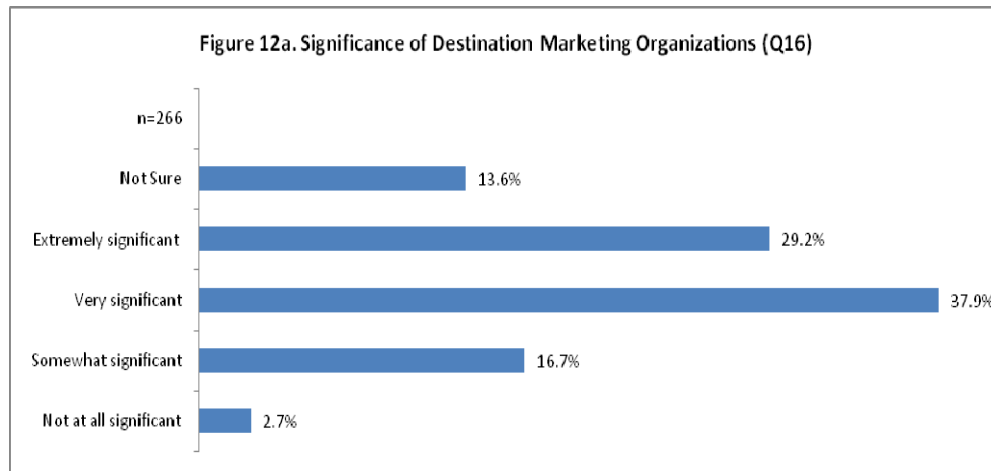


Figure 12. Significance of Destination Marketing Organizations

A majority (83.8%) stated ‘somewhat significant’, ‘very significant’ or ‘extremely significant’, with almost 67.2% stating that DMOs were either ‘very significant’ or ‘extremely significant’. Respondents who were not sure came in at 13.6%, while those who thought DMOs were ‘not at all significant’ measured less than three percent.

Table 12

Significance of Destination Marketing Organizations (Q16) by percentage Urban vs. Rural n=212

	Urban	Rural
Not Sure or Somewhat Significant	27.8	14.4
Very or Extremely Significant	72.2	85.6

Chi-square = 5.555, Significance= .009 (*Significant*)

Table 12 illustrates the overall higher level of support for Destination Marketing Organizations from Urban and Rural respondents, particularly from 85.6% Rural respondents who stated that DMOs were ‘very or extremely significant’ to the tourism industry, compared to 72.2% of Urban respondents.

When analysed using the chi-square test, a significance value of .009—less than .05—was returned; therefore there statistically is a significant difference between urban and rural responses when asked about the significance of destination marketing organizations for Vancouver Island’s tourism industry.

This test indicates that the differences in urban and rural responses are indeed statistically significant and did not occur because of sampling differences (error).

Question Seventeen asked respondents what their opinions were regarding the significance of tourism on Vancouver Island to the social well-being of Island residents (Figure 13).

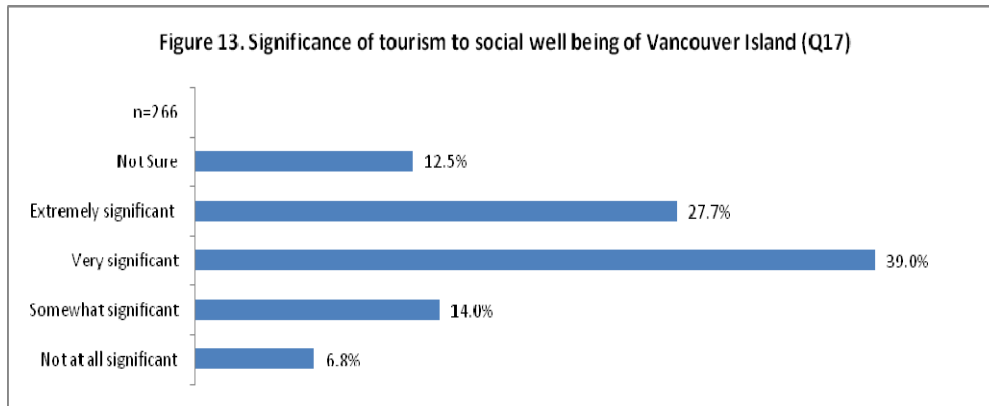


Figure 13. Significance of tourism to social well being of Vancouver Island

A majority (80.7%) stated ‘somewhat significant’, ‘very significant’ or ‘extremely significant’, with almost 67% stating that tourism is either ‘very significant’ or ‘extremely significant’ to the social well-being of Vancouver Island. Respondents who were ‘not sure’ came in at 12.5%, while those who thought tourism is ‘not at all significant’ measured less than seven percent.

Table 13

*Significance of tourism to social well being of Vancouver Island (Q17) by percentage Urban vs Rural
n=215*

	Urban	Rural
Not At All or Somewhat Significant	19.5	27.8
Very or Extremely Significant	80.5	72.2

Chi-square = 2.077, Significance= .050 (*Significant*)

Table 13 illustrates considerable support for the role tourism plays in the social well-being of Vancouver Island, although not as strong as the support or recognition demonstrated in Table 11 of economic significance. In this analysis there appears to be less recognition from rural respondents for the social significance of tourism compared to urban respondents, contrary to initial expectations. When analysed using the chi-square test, a significance value of .050—greater than .05—was returned; therefore, there is a statistically significant difference between urban and rural responses when asked about the significance of tourism to the social well being of Vancouver Island.

Question Eighteen asked respondents what their opinions were regarding the significance of tourism on Vancouver Island to the economic well-being of Island residents.

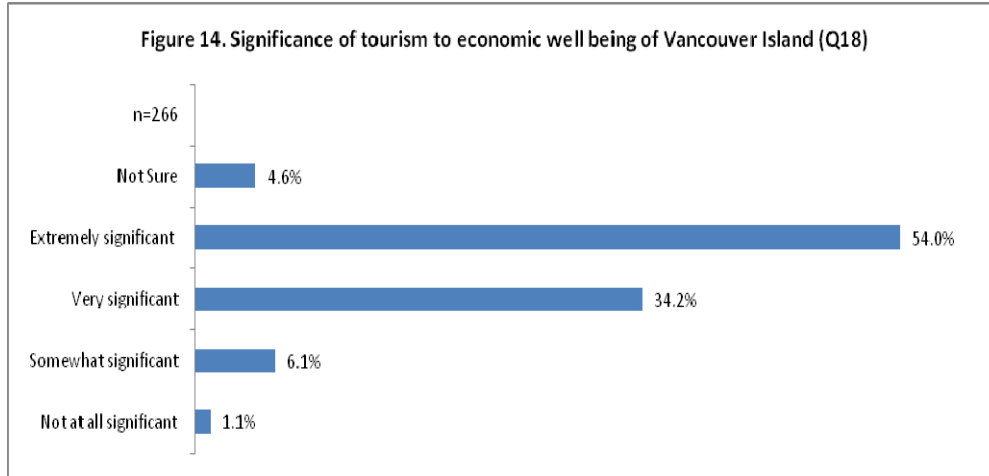


Figure 14. Significance of tourism to economic well being of Vancouver Island

A majority (94.3%) stated ‘somewhat significant’, ‘very significant’ or ‘extremely significant’, with 88.2% stating that tourism is either ‘very significant’ or ‘extremely significant’ to the economic well-being of Vancouver Island. Respondents who were ‘not sure’ came in at less than five percent, while those who thought tourism is ‘not at all significant’ measured slightly more than one percent.

Table 14

*Significance of tourism to economic well being of Vancouver Island (Q18) by percentage Urban vs. Rural
n=234*

	Urban	Rural
Not At All or Somewhat Significant	8.1	6.3
Very or Extremely Significant	91.9	93.7

Chi-square = .288, Significance = .390 (*Not Significant*)

When analysed using the chi-square test (Table 14), a significance value of .390—greater than .05—was returned; therefore there is statistically no significant difference between urban and rural responses when asked about the significance of tourism to the economic well being of Vancouver Island. This might suggest that rural and urban respondents alike support the concept that tourism has a positive economic benefit for Vancouver Island. It should be clearly stated that the sample was drawn from Tourism Vancouver Island’s stakeholder base, which comprises voting and non-voting tourism industry stakeholders, and could, therefore, be biased favourably to the industry.

Summary

Community and Destination Marketing Organizations can be identified as social enterprises because their primary function or mission is, essentially, to enhance the social and economic well being of the community at large through their agents—their stakeholders. In this example, stakeholders include commercial or for-profit businesses and organizations; not-for-profit organizations—including other destination marketing organizations; educational institutions; government agencies; and the community itself.

Perceptions of rurality by rural and urban respondents reflected several differences as tested for statistical significance, and supported initial expectations that quality of life and community values attributes were more highly valued by rural respondents than their urban counterparts. Similarly, rural respondents appeared to have more concerns over workplace related issues, professional isolation, and educational and training opportunities than urban respondents. Open ended responses tended to support the quantitative data analysis.

Although tourism industry focused commercial organization, destination marketing organizations and other not-for-profit organization play a pivotal societal and economic role in the community, the level of government assistance was reported as being very low—typically in excess of 80% of respondents stated they no government or other external funding, such as volunteer or foundation assistance, at all.

Rural and urban respondents expressed high support for destination and community marketing organizations and in general preferred the stakeholder model over the membership model; however the margin of difference in stakeholder preference was not as pronounced or conclusive as initially anticipated. Overall, there *was* greater support for the stakeholder model by rural respondents in all attributes compared to the level of support by urban respondents. This finding does support the initial expectation that social enterprises have a greater support in rural settings than in urban settings, implying that social enterprise is more effective from a rural perspective than an urban perspective.

Respondents tended to prefer doing business under the stakeholder model with rural respondents favouring the stakeholder model marginally more than urban respondents. Contrary to expectations, more than half of urban and rural respondents reported that they either participated in fewer programs or about the same number of programs since the inception of the stakeholder model—between seven and eleven percent reported increased participation. The reasons for these findings are unclear; however speculative comments are included in the Conclusions Chapter.

Community and Destination Marketing Organizations have high significance for urban and rural respondents, however support for Destination Marketing Organizations—specifically Tourism Vancouver Island in this study—is statistically significantly higher from rural respondents than urban respondents, again supporting the expectation or notion that social entrepreneurship is more significant in a rural setting than an urban setting.

Urban and rural respondents supported the notion that tourism is socially and economically significant to the well-being of Vancouver Island residents. The level of agreement was higher in economic well-being terms compared to social well-being terms by about ten percent overall. However, there was an almost twenty percent difference in rural respondents support for the significance of tourism to economic well-being compared to that of the significance of tourism to the social well-being of Vancouver Island.

Conclusion

In conclusion, Vancouver Island—a stakeholder-based tourism marketing organization—is a social enterprise that is more effective in the rural context than the urban context; and contributes significantly to the social and economic well-being of the residents of Vancouver Island, in addition to their role for Vancouver Island’s tourism industry. In addition, it is clear that Tourism Vancouver Island plays a significant role in the tourism industry, which also plays an important role in the economic and social well-being of Vancouver Island residents.

Chapter Five: Conclusions

Purpose of study

The thesis studied several aspects of Vancouver Island's tourism industry and Tourism Vancouver Island, in particular, analysing tourism industry perceptions of effectiveness of the stakeholder model compared to the membership model for destination marketing at a regional and local level. The study was further focussed by comparing the two models from a rural perspective underpinned by the conceptual context of social enterprise.

The study sought to determine if the transition from the membership model to the stakeholder model was perceived to be effective and how, in light of these perceptions, it might be expected to affect the future of the industry, and by extension, the social and economic well-being of Vancouver Island. Further, the study attempted to help clarify how effective these initiatives are in the rural context and to measure the perceived effectiveness of the stakeholder model, also in the rural context.

The study is important because of the relationship between social enterprise, which is represented here by an egalitarian business concept, the stakeholder model, and rural tourism, which is a significant component of Vancouver Island's social and economic fabric.

The study also considered the notion that rural residents are more likely to support social enterprise; in this study a stakeholder based not-for-profit tourism marketing organization, than urban residents. One of the more challenging aspects of this study was to succinctly define the terms 'rural' and 'urban'. For the purpose of this study, the population density rural definition used by the Canadian government for '[census] rural' was used; *Census Rural* describes communities outside population centres of 1,000 persons or more.

The relationship between social enterprise and not-for-profit organizations occurs, typically, when not-for-profit organizations or agencies assume responsibility for tasks or actions that were previously performed by government. These functions are generally performed on a fee-for-service basis, which is used for operational and core funding.

The exemplar in this study was Tourism Vancouver Island, a regional destination marketing organization, which operates under the terms of the preceding definition, with the caveat that the primary beneficiary of their activities is the primarily commercial tourism industry itself. An important element of this study is to determine if Vancouver Island's tourism industry, and by association, Tourism Vancouver Island, is an agent of 'sustainable social change'.

Tourism Vancouver Island categorizes two levels of 'stakeholder' as 1) a non-voting stakeholder and 2) as voting stakeholder. Tourism Vancouver Island broadly defines an industry stakeholder as any business or organization that meets Tourism British Columbia's criteria for a tourism business (see appendix A). A voting stakeholder is further defined as a stakeholder who has participated financially in at least one program within the current fiscal year.

Historically, regional destination marketing organizations and community destination marketing organizations have been not-for-profit membership based organizations, requiring a membership fee to participate in marketing programs or initiatives. This approach is often perceived as a financial barrier by the tourism industry. In April 2004, Tourism Vancouver Island adopted a stakeholder model to effectively remove this financial barrier—the membership fee—to program participation. A key component of the stakeholder model is that any tourism stakeholder that matches Tourism British Columbia's criteria as a tourism business or organization can participate in a program or initiative on a 'pay to play' basis. Currently, all but one of the six British Columbia regional destination marketing organizations has adopted the stakeholder model.

An aspect of the research was to gauge the perceived satisfaction levels of stakeholders overall, not only the stakeholders who have demonstrated satisfaction by supporting programs and initiatives, but also stakeholders who have expressed dissatisfaction by not supporting Tourism Vancouver Island initiatives.

Research methods

Research was conducted in two phases or stages. Phase One was a series of personal interviews; Phase Two was a questionnaire conducted electronically. In Phase One, a group of industry experts (n=8) were selected to participate in a series of personal interviews in order to 1) inform the study and 2) aid in the development of the questionnaire. The participants combined industry expertise and experience, which focussed the topic areas for the electronic questionnaire, in addition to providing valuable anecdotal insight and informed opinion about the industry. The participants also helped clarify the role of the tourism destination marketing organizations from rural and urban perspectives.

In Phase Two, an electronic questionnaire was delivered on-line to Tourism Vancouver Island's stakeholder database. An on-line electronic questionnaire format was chosen after considering several delivery methods including face-to-face personal interview, telephone interview and a paper-based mailed questionnaire. Several pragmatic factors included in the questionnaire delivery selection process were time, cost and labour considerations.

Main findings

Destination marketing organizations were identified as social enterprises because their primary function or mission is to enhance the social and economic well being of the community at large through their agents: their stakeholders or members. In this example, stakeholders include commercial or for-profit businesses and organizations, not-for-profit organizations (including other destination marketing organizations), educational institutions, government agencies, and the community itself.

Perceptions of rurality by rural and urban respondents reflected several statistically significant differences, and supported initial expectations that quality of life and community values attributes were more highly valued by rural respondents than their urban counterparts. Similarly, rural respondents appeared to have more concerns over workplace related issues, professional isolation, and, educational and training opportunities than urban respondents. Open ended responses tended to support the quantitative data analysis.

Although tourism commercial operations, destination marketing organizations and other not-for-profit organization play an important societal and economic role in the community, the level of government assistance was reported as being very low—typically in excess of 80% of respondents stated that they received no government or other external funding, such as volunteer or foundation assistance, at all.

Rural and urban respondents expressed high support for destination and community marketing organizations and in general preferred the stakeholder model over the membership model; however the margin of difference in stakeholder preference was not as pronounced or conclusive as initially anticipated. Overall, there was greater support for the stakeholder model by rural respondents compared to the level of support by urban respondents. This finding does support the initial expectation that social enterprises have a greater support in rural settings than in urban settings, suggesting that social enterprise is more effective from a rural perspective than an urban perspective.

Respondents tended to prefer doing business under the stakeholder model with rural respondents favouring the stakeholder model marginally more than urban respondents. Contrary to expectations, more than half of urban and rural respondents reported that they either participated in fewer programs or about the same number of programs since the inception of the stakeholder model—between seven and eleven percent reported increased participation. The reasons for these findings are unclear; however speculative comments are included further into this chapter.

Community and destination marketing organizations have high significance for urban and rural respondents. However, support for destination marketing organizations—specifically Tourism

Vancouver Island in this study—is statistically significantly higher from rural respondents than urban respondents, again supporting the expectation or notion that social entrepreneurship is more significant in a rural setting than an urban setting.

Urban and rural respondents supported the notion that tourism is socially and economically significant to the well-being of Vancouver Island residents. The level of agreement was higher in economic well-being terms compared to social well-being terms by about ten percent overall. However, there was an almost twenty percent difference in rural respondents' support for the significance of tourism to economic well-being compared to that of the significance of tourism to the social well-being of Vancouver Island.

To summarize the main findings of the study, Tourism Vancouver Island is a social enterprise that is more effective in the rural context than the urban context and contributes to the social and economic well-being of the residents of Vancouver Island, in addition to their role for Vancouver Island's tourism industry. Furthermore, it is clear that Tourism Vancouver Island plays a key role in the tourism industry. It is also evident that the tourism industry is perceived to play an important role in the economic and social well-being of Vancouver Island residents.

The literature's relationship to the study

Several aspects of the study aligned with the literature in respect to social capital and social enterprise. Qualitative data suggests that Putnam's theory that the basis of social capital is community participation and involvement, and, mutual and reciprocal trust (1993) is echoed in several respondents' comments cited in Chapter 4, such as:

“There's a sense of connectedness, a sense that each person has something of value to offer. This is not always felt in an urban environment.”

Comments similar in spirit to the preceding example also suggest that social capital is more firmly entrenched in rural settings than urban environments. Other anecdotal comments hinted at the challenges of retaining young people in rural communities, discussed by writers such as Alston (2004), and the difficulties associated with numeracy and literacy for rural employers. One respondent, cited earlier, expressed his frustrations thus:

“It is far more difficult to find staff who can actually read and write effectively. Their communication skills are, on average, sorely lacking. Their math skills are not exactly stellar, either. To be blunt they're dumb as sticks in the sticks.”

There was little evidence of the ‘dark side’ of social capital noted by Alston (2003) and Stehlik and Chenoweth (2004), perhaps because this aspect of social capital was not intended to be part of the study, although further study may be useful in the future. Overall the positive purview of qualitative and quantitative data tended to align with the positive perceptions of social capital, particularly in the rural context.

The evidence that tourism DMOs acting as *de facto* agents of the tourism industry play a significant role in the social and economic well-being of Vancouver Island residents in a social enterprise milieu parallels Mort’s assertion that social enterprises find market opportunities that could enhance economic and social outcomes for stakeholders and the community at large (2003).

The revenue generating destination marketing emphasis of Tourism Vancouver Island’s activities matches the notion of “The art of persistently and creatively leveraging resources to capitalize on marketplace opportunities to achieve sustainable social change” (Social Enterprise Alliance n.d.). Quantitative data showed that respondents had not increased their participation in Tourism Vancouver Island’s marketing programs since the transition from the membership model as much as initially expected, however almost half of the respondents did participate in the organization’s key marketing collateral publications and therefore benefitted by leveraging the available resources. Although gauging the level of persistence and creativity was outside the scope of the study, further research into these areas could provide a valuable insight into the fundamental workings of Tourism Vancouver Island’s (and other DMOs) relationship with tourism industry stakeholders. Further, the study identifies Tourism Vancouver Islands as a Hybrid Model of social enterprise, which “...operates under a net-revenue organizational structure to further its social mission” (Williams 2005).

Although DMOs are funded like other social enterprises by a combination of government, public donation, quasi-commercial activities or a combination of any or all of these sources, the industry itself is composed primarily of commercial for-profit ventures with little, if any, support from government or the voluntary sector, including philanthropic organizations such as foundations. While the study has provided valuable insight into examples of social enterprise, a single all encompassing definition has proven to be elusive.

A definition of rurality that does not include spatial or purely quantitative relationships such as population densities and isolation or distance factors has also proven to be elusive, although defining rurality was not as important as understanding the differences in urban and rural perspectives framed in a rural context. In the study the typical popular image of rurality as the agricultural or farming-based bucolic ideal was rarely if ever presented. However, notions such as the Canadian equivalent of ‘mateship’, cultural uniqueness and community values were often cited in the study. The study

demonstrated several significant quantitative differences between rural and urban perspectives of rurality, and also a sense of subjective qualitative 'views of rurality' (Cameron-Jackson 1995) as being different from an urban perspective, in contrast to the rural perspective was evident.

Several issues or factors cited by rural British Columbia professionals previously identified in the literature (notably, (Montgomery 2003) were used to inform and structure the questionnaire.

Examination of the issues identified by Montgomery and informed by industry experts demonstrated statistically significant differences in the way urban and rural residents perceive rurality. Data analysis allows the inference that attributes describing quality of life notions, such as cheaper housing, scenic beauty and a peaceful community were more strongly perceived in a rural setting; similarly, the sense of community values, support of neighbours, privacy and higher levels of teamwork also appeared to be more highly valued.

Social aspects such as entertainment and making friends also appeared to have a greater impact on rural perceptions from rural respondents compared to urban respondents. There was also a greater perception from rural respondents that professionals were more likely to feel isolated in their working capacity than perceived by urban respondents.

Less positive attributes related to workplace issues and access to professional services, training opportunities for adults and an overreliance on seasonal work, and high workplace turnover, in addition to apparent concern over quality education for children appeared to evoke stronger perceptions from rural respondents than those perceptions reported by urban respondents. Rural respondents also appeared to feel more likely to be ignored by provincial government. Urban respondents felt there was less bureaucracy in the rural workplace, that rural housing was cheaper, and there was more privacy in a rural setting.

Recommendations

The study illustrates significant differences in rural and urban perceptions of rurality and that the notion of, and support for social enterprise, in this instance tourism regional DMOs, is greater in a rural context. The study also suggests that urban-based tourism operators appear to be less supportive of DMOs in general. From a regional DMO perspective perhaps a greater focus of effort is necessary to enhance DMO support by urban centres. It should be reiterated that urban and rural centres are often included in the jurisdiction of local community DMOs and play a similar but more localized role to regional DMOs and are predominantly membership-based organizations.

While support for the stakeholder model was very strong, it was not as universally accepted or as unanimous as originally anticipated at the start of the study. However, the study does suggest that

community membership-based DMOs should consider a transition to the stakeholder model, particularly in rural communities, which tended to show greater support and a higher preference for conducting business under the stakeholder model. Clearly making blanket statements, such as the preceding, is much easier said than done because membership-based DMOs would have to completely restructure their form of governance and revenue-base. However, as one industry expert stated:

“A stakeholder model wouldn’t work in this [our] member environment, but maybe in a few years when Nanaimo becomes more developed and we have a stronger [economic] base—a bit more savvy on the local member [stakeholder] part—that would be a good time to look at it [the stakeholder model].... There needs to be a critical mass—a certain level of maturity—they’re pretty much in the same ball park [but] there’s no-one really leading the pack—although everyone pretty much gets the general gist of it [the stakeholder model]—[and makes the mental transition] and this is when the industry ‘gets it’.”

Further research

Further studies evaluating the actual effectiveness of stakeholder and membership governance models regionally, nationally and internationally could assist DMOs in jurisdictions with an emerging tourism industry sector develop an effective organizational structure. The additional research could also assist membership-based DMOs evaluate the feasibility and utility of making the transition to the stakeholder model. As previously cited, this study examined perceptions of stakeholder effectiveness, not the actual effectiveness, although it could be argued that perception is reality. While there are studies of social enterprise, there appears to be a dearth of research relating directly to tourism industry DMOs governance models and the effect different models may have on the industry itself, and by extension, the social and economic implications tourism has for society at large.

It is clear from existing studies and the literature that tourism does impact social and economic aspects of society. This area needs further study for the industry to continue to develop its understanding of the long-term sustainability of tourism on Vancouver Island and, for that matter, in any given community. Sustainability was not investigated in this study, but it is related to the purpose of the study. A study specifically investigating tourism sustainability on Vancouver Island would be useful in informing the industry of the finite capacity the region has for tourism.

Personal reflections

As I’m sure is often the case, what started out as a fairly straightforward study idea developed into a much more complex entity than I had originally anticipated and resulted in telling quite a ‘big story’. I certainly learned a great deal about the industry and its relationship to Vancouver Island, social enterprise, perspectives of the stakeholder and membership models in the rural context, which was the intent of the study. An unexpected benefit is the relationship I have formed with my thesis supervisors, Rick Rollins and Malcolm Vick, to whom I am indebted. Rick and Malcolm have both

spent a substantial amount of time guiding me through this challenging but rewarding process culminating in what I believe to be a body of work that has utility and value for the tourism industry.

If I ever undertook this process again, I would reconsider the wisdom of undertaking distance delivery compared to face-to-face or a hybrid face-to-face/distance delivery in a graduate program of this standard. This comment is not intended as a criticism of James Cook University, but more as a reflection on own my abilities to work in an unstructured environment that can sometimes feel very isolated and leaves one susceptible to procrastination. Freedom to work at a self-directed pace is definitely a double-edged sword and requires much more discipline than studying within the classic 'bricks and mortar' built environment. In any event, as I finish this journey I am gratified with the experience and what I have learned about myself through this sometimes challenging, but ultimately rewarding process.

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Appendices

Appendix A	Tourism Stakeholder Criteria
Appendix B	Phase Two Electronic Survey Additional Analysis and Discussion
Appendix C	Phase Two Questionnaire

Appendix A

Stakeholder Category Criteria **Please initial appropriate criteria	
Accommodation, Hostels Campgrounds _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Minimum 2 Million Dollar insurance, and ▪ The Stakeholder must be a minimum of one of the following: <ol style="list-style-type: none"> 1. Tourism BC accommodation approved 2. AAA rated/approved 3. Canada Select rated/approved
Lodges Vacation Home Rentals _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Minimum 2 Million Dollar insurance (including 3rd party liability)
Associations & Transportation _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Incorporated under the Societies Act or Boards of Trade Act
House Boats _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Minimum 2 Million Dollar insurance, and ▪ Coast Guard certified
Real Estate _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Either/or: <ol style="list-style-type: none"> 1. Member of the local Real Estate Board 2. BC licensed realtor
Adventure, Ski, Golf, Attractions, Arts & Culture, Spa & Wellness, Agriculture & Winery, Food & Beverage, Meeting Facilities Rentals, & Gardens _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Minimum 2 Million Dollar insurance (including 3rd party liability)
Tour Operators (In and out of province) _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Tour operator registration
Parks _____Initial	<ul style="list-style-type: none"> ▪ Must be either: <ol style="list-style-type: none"> 1. Municipal 2. Regional 3. Provincial 4. Federal
Dive _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Minimum 2 Million Dollar insurance (including 3rd party liability), and

	<ul style="list-style-type: none"> ▪ Canadian Transport certified vessel (if applicable), and either/or 1. Affiliation and registration as a Dive Centre with an Internationally recognized Scuba Training Agency.
Education _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ BC Public Education
Learning/Enrichment _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Minimum 2 Million Dollar insurance (including 3rd party liability), and ▪ Business license or Society registration
Events & Retail/Service _____Initial	<ul style="list-style-type: none"> ▪ In compliance with all municipal, regional district, provincial and federal regulations and bylaws, and ▪ Applicable insurance

I have read the Stakeholder Criteria form above and meet all the applicable criteria required for my stakeholder category with Tourism Vancouver Island

Print Name _____

Signature _____

Appendix B Phase Two Electronic Survey

Additional Analysis and Discussion

Table 2a. Perceived

Characteristics of rurality
by region (Q7)

	Response by Region (Percentage 'Somewhat' or 'Strongly Agree')						
	South Island	Cowichan	Central Island	Gulf Islands	Pacific Rim	North Central	North Island
More mutual support	84.1	100.0	85.7	91.1	88.0	94.4	97.4
Harder to keep family happy	77.3	77.8	74.5	54.6	34.3	68.3	88.0
Quieter and more peaceful than urban areas	75.0	91.8	79.4	73.5	90.0	83.3	94.9
Better personal safety	72.7	81.1	79.4	76.5	88.0	74.0	82.1
Fewer training opportunities	69.3	67.6	69.8	67.6	78.0	83.4	87.2
Less earning power	68.2	73.0	65.8	52.9	76.0	70.3	76.9
Less access to entertainment	67.1	64.8	72.6	76.5	86.0	70.4	84.6
More variety in rural jobs	65.1	85.2	74.5	68.2	54.3	65.9	72.0
More difficult to find work	63.6	51.3	75.3	61.8	94.0	66.7	76.9
People feel ignored by government	54.5	67.5	68.5	67.6	88.0	70.3	84.6
More privacy	51.1	70.2	54.8	70.6	38.0	64.8	48.7
Greater sense of community spirit	48.9	54.0	53.5	61.7	62.0	57.4	64.1
Scenic beauty more abundant	52.0	54.0	45.2	44.1	50.0	46.3	59.9
Less access to professional & medical services	39.8	56.7	46.6	47.0	42.0	55.6	23.1
Easier to make friends	37.9	55.5	52.7	59.1	82.9	58.5	44.0
Better team spirit	33.4	63.0	49.1	54.5	42.9	51.2	36.0
Housing is cheaper	33.0	43.2	38.3	32.3	44.0	37.1	46.1
Workplace personnel turnover is too high	31.8	25.9	40.0	36.4	25.7	24.4	24.0
Work is not as well paid	31.8	24.3	35.6	35.3	48.0	40.8	51.3
Community values & attitudes more rigid	30.3	40.7	30.9	22.7	54.3	31.7	40.0

Less access to quality education	28.8	48.1	50.9	36.3	51.5	53.6	44.0
Less bureaucracy in workplace	25.7	25.9	25.5	22.7	31.4	21.9	20.0
Too much seasonal work compared to full-time	23.9	29.7	38.3	23.5	62.0	29.7	41.1
More access to outdoor activities	23.9	37.8	39.7	47.1	46.0	40.7	25.6
Over-dependence on resource industries	15.1	7.4	25.4	86.4	51.5	31.7	24.0
Less access to workplace technology	13.6	18.5	20.0	0.0	22.8	12.2	8.0
More freedom and autonomy at work	12.1	18.5	29.1	31.8	45.7	26.8	36.0

The seven regions are: South Island; Cowichan; Gulf Islands; Central Island; North Central Island; North Island; and the Pacific Rim.

Table 2a compares perceptions of rural characteristics by region. Almost 25% of Gulf Island and South Island respondents disagreed with the statement that the Gulf Islands are ‘quieter and more peaceful than urban areas’, while 90.0% of Pacific Rim respondents, 91.8% of Cowichan respondents and 94.9% of North Island respondents agreed with the statement.

Island residents in general were fairly evenly divided on their perception that ‘scenic beauty is more abundant’ in rural areas—positive responses ranged from 44.1% in the Gulf Islands to 59.9% in the North Island. Less than 50% of all respondents agreed that there is ‘more access to outdoor activities’ in rural areas—only 23.9% of South Island respondents ‘agreed’ or ‘strongly agreed’ with this statement.

More respondents thought that mutual support was greater in rural areas—as much as 100% in the Gulf Islands and only as low as 84.1% in the South Island region, perhaps reflecting a perception that ‘mutual support’ is stronger in more rural areas than in urban areas.

Although the Pacific Rim is quite isolated compared to other Island regions, only 38% felt that they had a ‘greater level of privacy’ than the other regions—all of whom responded ‘strongly’ or ‘somewhat strongly’ between 50% and 70%. Similarly, the less populated regions—Pacific Rim, North Central, and North Island reported ‘fewer training opportunities’ to a greater extent than the more populated regions to the east and south of the Island. Conversely, 39.8% of South Island respondents perceived having ‘less access to professional and medical services’

compared to the rest of the Island, except North Island at 23.1%. Almost 90% of Pacific Rim respondents said they had ‘less access to entertainment’, while Central Island, Cowichan and South Island respondents agreed ‘strongly’ or ‘somewhat strongly’ at around 70% with the statement.

One of the greatest disparities occurs in responses to the statement ‘Too much seasonal work compared to full-time work’--the majority response rates hover around 30%, whereas the Pacific Rim agreed ‘strongly’ or ‘somewhat strongly’ at 62%--almost double the rest of the Island region. Likewise, Pacific Rim respondents felt the most strongly that ‘people feel ignored by government’—whether these two statements reflect a sense of isolation is open to conjecture, however a connection is possible. Generally, rural perceptions of personal safety appeared to be fairly high and consistent throughout the Island region—averaging almost 80%.

The cost of rural housing appears to be a challenge—an average of 39% of respondents agreed ‘strongly’ or ‘somewhat strongly’ with the statement that ‘housing is cheaper’ in rural areas. Similarly, rural employment is perceived as being ‘more difficult to find work’ by over 50% in the Cowichan region to over 90% in the Pacific Rim. However, while work may be hard to find, perceptions of earnings and earning power appears consistent throughout the region—an average 38% of respondents felt that ‘work is not as well paid’, and an average of almost 70% said they had ‘less earning power’.

When asked about their perceptions of an ‘over dependence on resource industries’, the responses were extremely wide ranging from 7.4% in the Cowichan region strongly or somewhat strongly agreeing with the statement, to 86% of Gulf Islands respondents thus.

Almost 38% of South Island residents thought it was ‘easier to make friends’ in rural areas compared to 83% of Pacific Rim respondents, but conversely almost half Pacific Rim respondents perceived ‘better team spirit’ in the workplace. Team spirit is perceived as being strongest in the Cowichan region with 63% of respondents agreeing strongly or somewhat strongly with the statement.

The level of workplace turnover was not perceived as being especially high—less than 30% on average of respondents thought that ‘workplace personnel turnover is too high’— similarly ‘[less] access to workplace technology’ is somewhat of a non-issue with responses ranging from 0% in the Gulf Islands to 23% of Pacific Rim respondents answering ‘strongly’ or ‘somewhat strongly’—an average of 13.6% overall. Rural perceptions of ‘access to quality education’

appeared to be lowest in the South Island to the highest percentage of respondents ‘agreeing’ or ‘strongly agreeing’ in the Pacific Rim—28.8% and 51.5% respectively.

On average, less than 40% of respondents perceived that ‘professionals feel more isolated’ in rural areas compared to almost 60% of people in general stating they ‘feel more isolated or lonely’, with a high percentage—almost 70% average-- reporting that it is ‘harder to keep [the] family happy’ in a rural environment. Pacific Rim respondents reported the least difficulty in maintaining family harmony, while almost 80% of South Island respondents agreed ‘strongly’ or ‘somewhat strongly’ with the statement.

‘[Less] bureaucracy in the workplace’ also appears to be a minor or non-issue across the Island region with a fairly consistent range between 20% and 30% with an average of 24% of respondents agreeing ‘strongly’ or ‘somewhat strongly’ with the statement.

A high percentage of Cowichan respondents perceived there is ‘more variety in rural jobs’ at 85.2% agreeing with statement, and a consistent range across the balance of the region between 54.3% and 74.5% overall.

Table 4a. Preference for Stakeholder Model by committed respondents by Region (Q11)

	Response by region (percentage 'Stakeholder Much Better' or 'Somewhat Better')						
	South Island	Central Island	Cowichan	Gulf Islands	Pacific Rim	North Central	North Island
Fair access to government funds	17.4	27.3	25.9	33.3	31.6	27.3	31.3
Broader Industry Representation	30.9	40.0	55.2	40.0	61.5	54.8	55.0
Sense of inclusion	26.8	34.8	34.5	48.0	37.9	31.4	48.0
Sense of exclusivity	36.4	25.6	30.4	40.0	20.8	40.7	36.8
Independence in making marketing decisions	57.6	59.6	48.3	68.0	58.6	64.7	56.5
Networking and/or social opportunities	15.5	28.3	23.3	38.5	39.3	18.2	36.4
'Pay as you play' marketing costs	54.5	64.4	62.1	76.9	65.5	65.7	62.5
Sense of ownership in the marketing organization	37.9	51.1	44.4	42.3	38.7	46.9	52.2
Flexibility in Financial commitment	63.9	59.2	70.0	84.0	73.3	78.8	60.0
Involvement in policy making	18.9	25.6	33.3	29.2	65.4	25.0	75.0
Predictable organization revenue stream	20.0	23.3	28.0	36.8	47.4	14.8	27.8
Financial dependence on marketing programs	41.7	33.3	38.1	56.3	38.1	57.7	27.8

Table 4b. Preference for Membership Model by committed respondents by Region (Q11)	Response by region (percentage 'Membership Much Better' or 'Somewhat Better')						
	South Island	Central Island	Cowichan	Gulf Islands	Pacific Rim	North Central	North Island
Fair access to government funds	23.9	24.2	22.2	11.1	15.8	18.2	12.6
Broader Industry Representation	36.3	28.9	27.6	38.0	11.5	25.8	15.0
Sense of inclusion	28.6	30.4	37.9	20.0	24.1	34.3	20.0
Sense of exclusivity	31.8	27.9	30.4	40.0	37.5	14.8	21.1
Independence in making marketing decisions	13.6	6.4	10.3	4.0	6.8	0.0	43.4
Networking and/or social opportunities	32.8	26.1	26.6	23.1	17.9	33.3	18.1
'Pay as you play' marketing costs	16.3	4.4	3.4	0.0	3.4	5.7	4.2
Sense of ownership in the marketing organization	24.2	20.0	29.6	23.0	32.3	37.5	21.7
Flexibility in Financial commitment	6.5	8.1	3.3	4.0	6.7	6.1	4.0
Involvement in policy making	32.1	27.9	40.0	29.1	34.6	32.1	25.0
Predictable organization revenue stream	48.0	48.9	52.0	63.2	21.1	51.8	38.9
Financial dependence on marketing programs	27.1	17.9	14.3	25.0	14.3	7.7	21.1

Table 4a and 4b describes the attitudes of committed stakeholders to the stakeholder model or membership model by geographic region—‘committed stakeholders’ are those that have shown a preference by responding ‘stakeholder’ or ‘membership’ model ‘much better’ or ‘somewhat better’—the table data reflects the combined percentages.

Less than 20% of South Island respondents said that the stakeholder model provided ‘fair access to government funds’ compared to more than a third of respondents in the Gulf Islands, which was close to the average response of 28%--conversely 11% of Gulf Island respondents felt the membership model was more effective. Overall, those who supported the membership model felt that ‘fair access to government funds’ was less so with an average 18.3% of respondents agreeing with the statement.

Almost of 50% of committed respondents said the stakeholder model represented the industry broadly, while 26.2% of membership’s supporters stated the membership model was ‘more effective’. The response range for broader industry representation by stakeholder supporters went from 30.9% in the South Island to over 60% in the Pacific Rim. In comparison, 26.2% of respondents supporting the membership model agreed with the statement overall, ranging from 11.1% in the Pacific Rim to 38% in the Gulf Islands.

The more remote communities in the Gulf Islands and North Island perceived a greater sense of inclusion under the stakeholder model than did those in the more urban South Island. Those responding favourably to the membership model felt less inclusive overall than those supporting the

stakeholder model at 27.9% and 37.3% respectively. The Gulf Islands and North Islands, both agreed with the statement at 20%—felt less inclusive under the membership model than respondents in Cowichan and North Central Island at 37.9% and 34.3% respectively.

A perceived ‘sense of exclusivity’ was reported almost evenly between the stakeholder and membership model averaging 33% and 29.1% respectively. However the range was greater in the membership model from North Central at 14.8% and 40% in the Gulf Islands, to 20.8% and 40.7% in the Pacific Rim and North Central Island under the stakeholder model—a relative spread of 25.2% compared to 19.9%.

One of the most significant differences in perception occurs in attitudes towards ‘independence in making marketing decisions’. Overall, almost sixty percent of stakeholder supporters agreed with the statement, compared to 12.1% of those supporting the membership model. The range supporting the stakeholder model went from 48.3% in Cowichan to 68% in the Gulf Islands, compared to zero percent in North Central Island to 43.4% in North Island. If these extreme values are excluded, the range is 4.0% in the Gulf Islands to 13.6% in the South Island.

Although the average response to ‘networking and/or social opportunities’ was quite close for membership or stakeholder preference—25.4% and 28.5% respectively, the range varied considerably—15.4% compared to 23.8%— suggesting membership supporters felt there was greater social opportunity than did stakeholder supporters.

One of the most significant disparities in respondent perceptions was that of ‘pay as you play’ marketing costs’. Membership model responses reported ‘better’ or somewhat better’ on average of 5.3% within a range of 0% in the Gulf Islands to 16.3% in the South Island; whereas stakeholder model responses stated better or somewhat better on average 64.4% within a fairly close range of 54.5% and 76.9% between South Island and the Gulf Islands respectively—an inverted mirror image of perceptions.

While there is an impression that the membership model offered greater social and networking opportunities, the ‘sense of ownership’ appeared stronger for the stakeholder model than the membership model at 26.9% and 44.8% respectively.

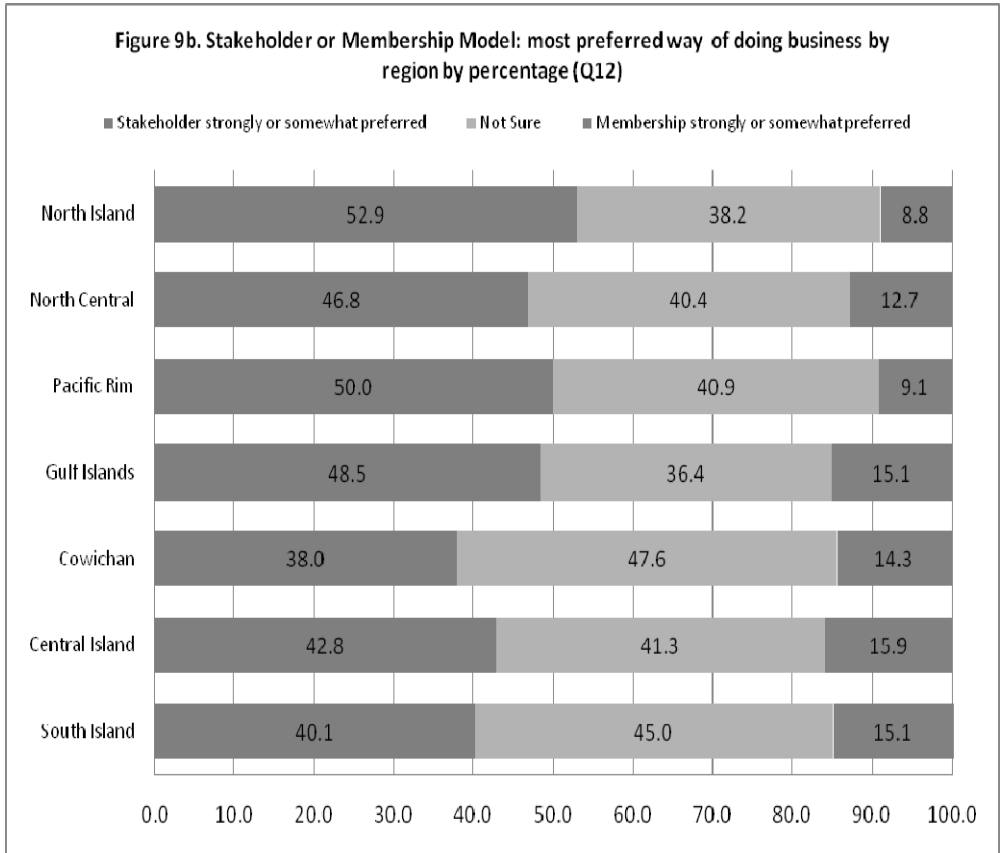
‘Flexibility in financial commitment’ and ‘pay as you play’ marketing costs’ are similar items and subsequently reflect similar perceptions by respondents. The average is similar at 5.5% for membership preference and 69.9% for stakeholder preference—regionally, the ranges are different with 3.3% of Cowichan respondents answering ‘much better’ or ‘somewhat better’ for the

membership model and 8.1% of respondents in the Central Island. This compares to a range of 59.2% in Central Island preferring the stakeholder model to 84% in the Gulf Islands for financial flexibility.

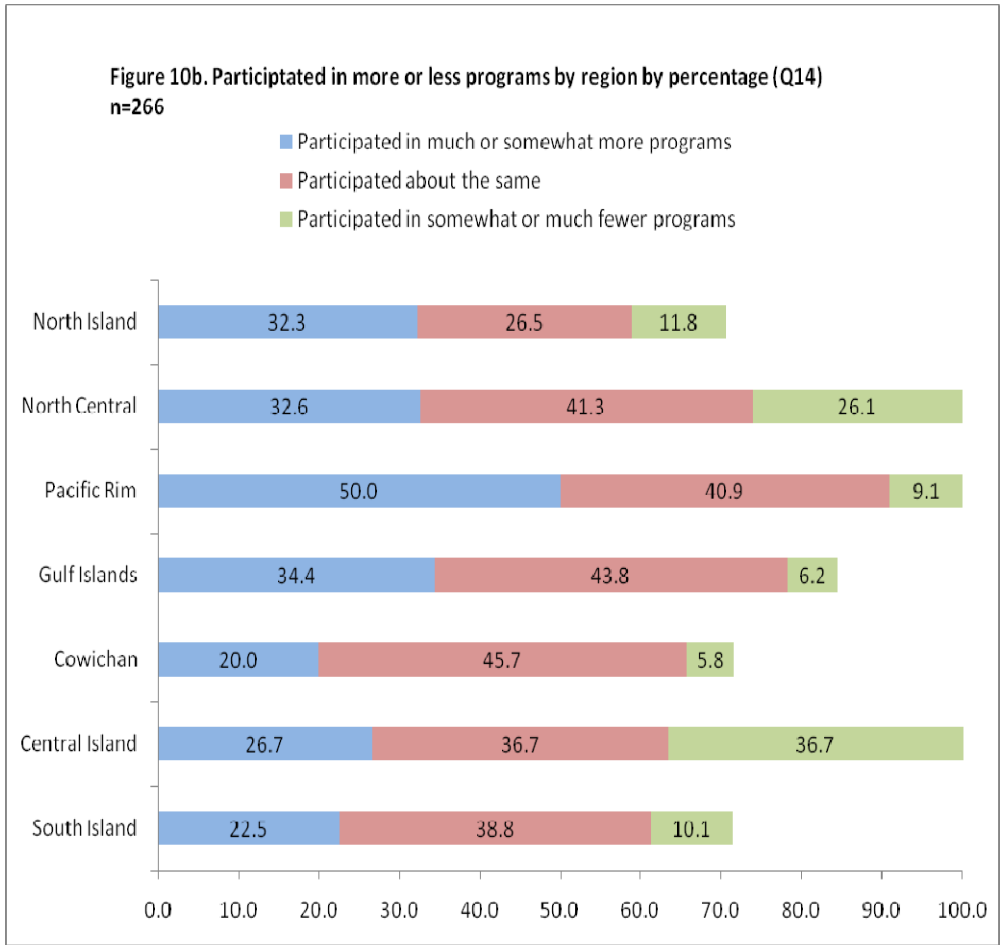
The sense of ownership differences between the two models is also reflected in the degree to which the stakeholder model is preferred in policy making decisions. Although there was no clear pattern, it appeared that overall stakeholder model support was higher on average at 38.9% compared to 31.5% under the membership model. The range between 25% for North Island and 40% in Cowichan reflects a span of 15% for the membership model. A much greater range of 18.9% in South Island and 75% under the stakeholder model clearly infers less consistency in perceptions of policy making involvement.

In general, respondents who preferred the membership model felt that member-based organizations had a 'more predictable revenue stream' compared to stakeholder-based organizations. On average 46.3% of respondents preferred the membership model compared to 28.3% who showed a preference to the stakeholder model. The range of membership preference for revenue predictability was 21.1% in the Pacific Rim region compared to 63.2% in the Gulf Islands. The range was less pronounced for the stakeholder model—14.8% for North Central Island compared to 36.8% in the Gulf Islands.

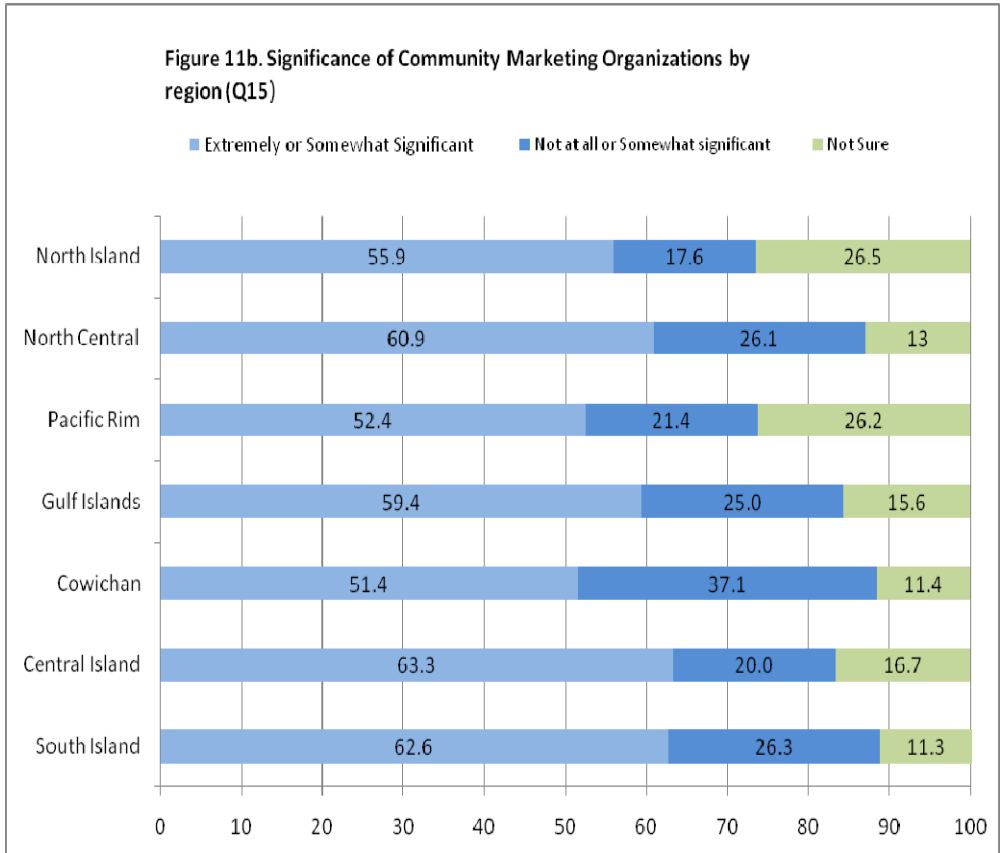
The last item also referred to marketing and financial commitment by asking participants which model they perceived as being 'more financially dependent on marketing programs'. On average 41.9% stated the stakeholder model is more 'financially dependent on marketing programs' compared to 18.2% perceiving the membership model as more dependent. North Central Island respondents reported the lowest level of perceived dependence at 7.7% under the membership model compared to 57.7% under the stakeholder model, which was the highest return for this item.



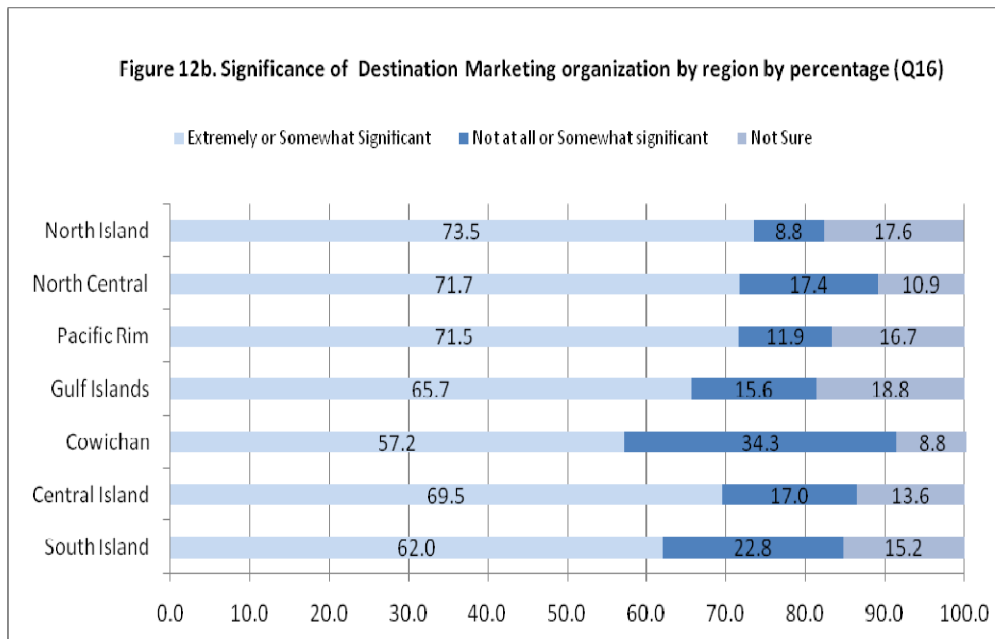
It is clear from Figure 9b that the stakeholder model is strongly preferred to the membership model, as in Figure 9a. Caution should be taken in interpreting the results, however, as it is unclear whether a respondent was 'Not Sure' because he or she was uncommitted or because he or she did not understand the question or did not understand the difference between the two models. In any event, support for the stakeholder model appeared to be strongest in the North Island with 52.9% stating a 'strong' or 'somewhat strong' preference for the model, compared to 38.0% in the Cowichan region. Support for the membership model was highest in the South Island region at 15.1% preferring the membership model.



The most significant change in program participation since the stakeholder model’s inception occurred in the Pacific Rim with 50% of respondents stating they had participated in ‘much more’ or ‘somewhat more’ programs and 40.9% participating ‘about the same’. In comparison, 20.0% of Cowichan respondents stated they ‘participated in more programs’ and 45.7% ‘participated about the same’. However in sharp contrast to the other regions, 36.7% Central Island respondents participated in ‘somewhat fewer’ or ‘much fewer’ programs since the stakeholder model inception, compared to 26.7% who ‘participated more’.

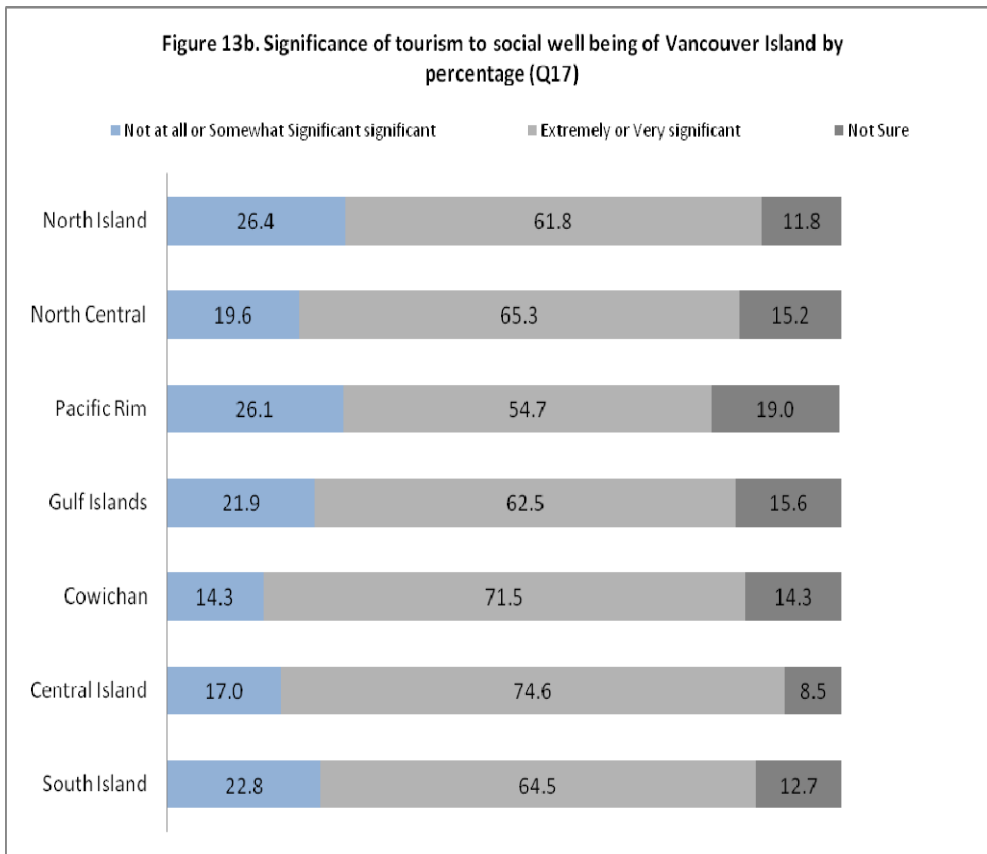


Respondents who thought Community Marketing Organizations are ‘very’ or ‘extremely significant’ for Vancouver Island’s tourism industry reported somewhat consistently region to region. The response range was quite narrow with Cowichan at 51.4% stating CMO’s were either ‘extremely’ or ‘very significant’ to 63.3% of Central Island respondents. Those who said CMO’s were ‘not at all’ or ‘somewhat significant’ was less consistent showing a range of 20% in the Central Island region and 37.0% in the Cowichan region. The range of respondents stating they were ‘not sure’ was also less consistent, ranging from 11.3% and 11.4% in South Island and Cowichan regions respectively compared to 26.2% and 26.5% in Cowichan and North Island regions respectively.



Generally, participants perceived that Destination Marketing Organizations (DMO's) were either 'very' or 'extremely significant' to the Vancouver Island industry. Other than South Island and Cowichan regions, albeit relatively strong support there, the Island regions reported similar responses ranging from 65.7% in the Central Island region to 73.5% in the North Island, suggesting there is greater support in the less densely populated regions.

Cowichan region respondents felt that DMO's had the least significance to the tourism industry at 34.3%. The North Island region reported the highest support overall, with only 8.8% stating DMO's had 'none' or 'somewhat' significance. Zero respondents in the Gulf Islands, Pacific Rim, North Central and North Island's regions reported that DMO's had 'no' significance to the Island region's tourism industry.



Generally, respondents saw tourism as beneficial to the social well-being of Vancouver Island—positive responses ranged from 54.7% in the Pacific Rim to 74.6% in the Central Island regions. In comparison, 26.4% of North Island respondents stated tourism was ‘not at all’ or ‘somewhat significant’ to the social well being of Vancouver Island. Respondents who were ‘not sure’ of the social significance of tourism was somewhat inconsistent, ranging from 8.5% to 19.0% in the Central Island and Pacific Rim respectively.



Respondents were virtually unanimous in agreeing that tourism is ‘very’ or ‘extremely’ significant to the economic well-being of Vancouver Island. The response rates range from 83.6% in the South Island to 95.1% in the Pacific Rim for those who saw the economic significance of tourism for the region. Those who saw no economic benefit to Vancouver Island ranged from zero in the Central Island, Cowichan, Pacific Rim, North Central Island, and North Island regions to 2.5% and 3.1% in the South Island and Gulf Islands respectively.

Table Nine reinforces data showing significant support for the tourism industry from respondents urban and rural and is almost equal, inferring there is no conclusive bias based on rurality or geographic location.

Appendix C Phase Two Questionnaire

Phase Two Questionnaire

Section 1. Type of Business or Organization

Q.1. How would you classify the services your business or organization is engaged in? Please check all that apply

1. ACCOMMODATION (Hotel/motel, B&B, Resort, campground, lodge, etc)
2. FOOD & BEVERAGE (Restaurant, café, pub, catering, etc)
3. TRANSPORTATION (e.g. Ferries, bus, air, sea, vehicle rentals, etc)
4. TRAVEL TRADE (wholesale & retail travel suppliers, travel agents etc)
5. NATURE-BASED TOURISM & RECREATION (Adventure & Outdoor activities, kayaking, hiking, camping, cycling, Nordic, alpine, surfing, etc)
6. ATTRACTIONS (permanent sites: Gardens, museums, galleries, agricultural & industrial artefacts, outdoor exhibits etc)
7. EVENTS, MEETINGS, INCENTIVE TRAVEL & CONFERENCES (recurring or temporary: exhibitions, sports events, conferences, special events, organized meetings, etc)
8. TOURISM MARKETING ORGANIZATION/SERVICES (e.g. Tourism Victoria, Tourism Vancouver Island, advertising agency, publishers, graphics, internet service provider, etc)
9. OTHER Please state: _____

Q.2. Which of the above is your primary service? # _____

Q.3. How is your business or organization legally structured?

1. CORPORATION
2. PARTNERSHIP
3. SOLE PROPRIETORSHIP
4. CO-OPERATIVE
5. ASSOCIATION/SOCIETY

6. DON'T KNOW/REFUSED

Q.4. Which of the following best describes your organization?

1. FOR-PROFIT COMMERCIAL ENTERPRISE
2. DESTINATION MARKETING ORGANIZATION
3. COMMUNITY MARKETING ORGANIZATION
4. CHAMBER OF COMMERCE
5. VISITOR INFORMATION CENTRE
6. FEDERAL GOVERNMENT AGENCY
7. PROVINCIAL GOVERNMENT AGENCY
8. MUNICIPAL GOVERNMENT AGENCY
9. EDUCATIONAL INSTITUTION
10. VOLUNTEER SOCIETY/ASSOCIATION
11. FINANCIAL INSTITUTION
12. DON'T KNOW/REFUSED
13. OTHER _____

[Section 2. Marketing]

Q.5. Which methods do you use to market your business or organization?

Please check all that apply.

1. NEWSPAPER
2. MAGAZINE
3. TELEPHONE DIRECTORY
4. TOURISM VANCOUVER ISLAND PUBLICATION/BROCHURE
5. TOURISM VANCOUVER ISLAND COOPERATIVE AD CAMPAIGN (any media)

6. COMMUNITY MARKETING ORGANIZATION PUBLICATION (e.g. Oceanside Tourism)

7. OTHER DESTINATION MARKETING ORGANIZATION PUBLICATION (e.g. Tourism BC)
8. IN-HOUSE BROCHURE
9. RADIO
10. TV
11. INTERNET
12. BILLBOARDS
13. REFERRAL
14. PUBLIC RELATIONS
15. DIRECT MARKETING
16. TOURISM VANCOUVER ISLAND WEB MARKETING
17. TOURISM VANCOUVER ISLAND VISITOR INQUIRY PROGRAM (VIP)
18. FAMILIARIZATION (FAM) TRIPS
19. CONSUMER & TRADE SHOWS
20. OTHER

Please state _____

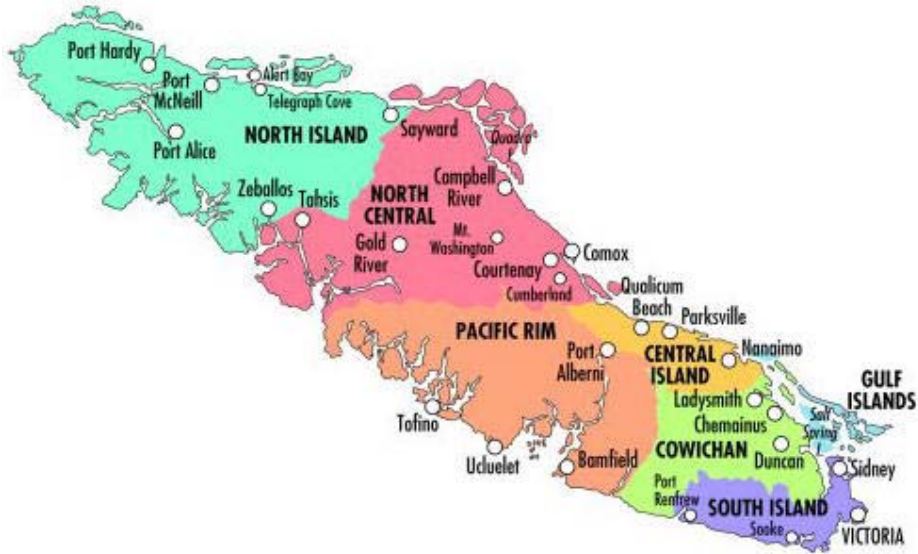
Q.6. Please state the three most important marketing strategies from the list above for your business or organization

i. _____

ii. _____

iii. _____

Section 3. Geographic Profile and perceptions of rurality



Q.7. In which of the Vancouver Island tourism regions is your business or organization located? Please enter all regions if your organization operates in multiple locations.

1. SOUTH ISLAND
2. CENTRAL ISLAND
3. COWICHAN
4. GULF ISLANDS
5. PACIFIC RIM
6. NORTH CENTRAL
7. NORTH

Q.8. Considering the environment where you work, describe the extent to which the following characteristics apply to your perceptions of rural life

	DOES NOT APPLY AT ALL	SOMEWHAT APPLY	USUALLY APPLIES	ALMOST ALWAYS APPLIES	NOT SURE
a) Scenic beauty	1	2	3	4	5
b) Sense of isolation	1	2	3	4	5
c) Safety in small/rural communities	1	2	3	4	5
d) Dependence on resource industries	1	2	3	4	5
e) Expectation of secure employment	1	2	3	4	5
f) Expectation of seasonal employment	1	2	3	4	5
g) Expectation of quality education	1	2	3	4	5
h) Expectation of retail services	1	2	3	4	5
i) Expectation of health services	1	2	3	4	5
j) Access to technology E.g. High-speed Internet service	1	2	3	4	5
k) Mutual support of neighbours	1	2	3	4	5
l) Sense of community 'spirit'	1	2	3	4	5
m) Access to urban centres	1	2	3	4	5
n) Access to outdoor activities	1	2	3	4	5
o) Less access to workplace technology	1	2	3	4	5
p) Less access to professional & medical services	1	2	3	4	5
q) Easier to make friends	1	2	3	4	5
r) Less access to entertainment	1	2	3	4	5
s) Professionals feel	1	2	3	4	5

	isolated	1	2	3	4	5
t)	Workplace personnel turnover is too high	1	2	3	4	5
u)	Too much seasonal work compared to full-time	1	2	3	4	5
v)	Work is not as well paid	1	2	3	4	5
w)	Less bureaucracy in workplace	1	2	3	4	5
x)	Better team spirit	1	2	3	4	5
y)	More variety in rural jobs	1	2	3	4	5
z)	More freedom and autonomy at work	1	2	3	4	5
aa)	Community values & attitudes more rigid	1	2	3	4	5
bb)	People feel ignored by government	1	2	3	4	5
cc)	Housing is cheaper	1	2	3	4	5
dd)	Harder to keep family happy	1	2	3	4	5
ee)	More privacy	1	2	3	4	5

[Section 4. Government and Community Support]

Q.9. Does your business/organization receive any of the following government and/or foundation funding? Please select all that apply.

	NONE	25% OR LESS	26%-50%	51%-75%	76%-OR MORE	NOT SURE
A. Wage subsidy	1	2	3	4	5	6
B. Operations funding	1	2	3	4	5	6
C. Project	1	2	3	4	5	6

Funding						
D. Consultation services	1	2	3	4	5	6
E. Marketing assistance	1	2	3	4	5	6
F. Other non-monetary support	1	2	3	4	5	6

Q.10. To what extent are you supported by volunteer time and voluntary financial contribution?

	NONE	LESS THAN 50%	MORE THAN 50%	NOT SURE
A. Volunteer time	1	2	3	4
B. Voluntary financial contribution	1	2	3	4

[Section 5. Stakeholder Model vs. Membership Model]

The stakeholder model considers that any business or organization involved in the tourism industry is a ‘stakeholder’ and participation in marketing programs is on a fee-for-service basis.

The membership model is based on a recurring membership fee as a pre-condition for participation.

Q.11. For each of the following statements, please indicate whether the stakeholder model or the membership model is better.

	STAKE HOLDER MUCH BETTER	STAKEHOLDER SOMEWHAT BETTER	EQUALLY EFFECTIVE	MEMBERSHIP SOMEWHAT BETTER	MEMBERSHIP MUCH BETTER	NOT SURE
a) Fair access to government funds	1	2	3	4	5	6
b) Broader industry representation	1	2	3	4	5	6
c) Sense of inclusion	1	2	3	4	5	6
d) Sense of exclusivity	1	2	3	4	5	6
e) Independence in making marketing decisions	1	2	3	4	5	6
f) Networking and/or social opportunities	1	2	3	4	5	6
g) ‘Pay as you play’ marketing costs	1	2	3	4	5	6
h) Sense of ownership in the marketing organization	1	2	3	4	5	6
i) Flexibility in your financial commitment to the organization	1	2	3	4	5	6
j) Involvement in policy making decisions through committee participation	1	2	3	4	5	6
k) Predictable revenue stream	1	2	3	4	5	6

for the marketing
organization

- | | | | | | | |
|--|---|---|---|---|---|---|
| | | | | | | 6 |
| 1) Financial dependence based on revenue generating marketing programs | 1 | 2 | 3 | 4 | 5 | |

Q.12. Overall, which model is most suited to your organizations' preferred 'way of doing business'?

1. STRONGLY PREFER STAKEHOLDER MODEL
2. SOMEWHAT PREFER STAKEHOLDER MODEL
3. NOT SURE
4. SOMEWHAT PREFER MEMBERSHIP MODEL
5. STRONGLY PREFER MEMBERSHIP MODEL

Q.13 Can you think of any other benefits or concerns with living and working in rural communities. If so, please describe these below.

Q.14 Tourism Vancouver Island has made the transition from the membership model to the stakeholder model. Have you participated in more or less programs since the transition from membership model to stakeholder model?

1. PARTICIPATED IN MUCH MORE PROGRAMS
2. PARTICIPATED SOMEWHAT MORE PROGRAMS
3. PARTICIPATED ABOUT THE SAME
4. PARTICIPATED IN SOMEWHAT FEWER PROGRAMS
5. PARTICIPATED IN MUCH FEWER PROGRAMS
6. NOT SURE

Q.15 In your experience, how significant is the contribution of Community Marketing Organizations to Vancouver Island's tourism industry?

1. VERY SIGNIFICANT FOR THE TOURISM INDUSTRY
2. SOMEWHAT SIGNIFICANT FOR THE TOURISM INDUSTRY
3. NOT SURE

4. SOMEWHAT INSIGNIFICANT FOR THE TOURISM INDUSTRY
5. VERY INSIGNIFICANT FOR THE TOURISM INDUSTRY

Q.16. In your experience, how significant is the contribution of Destination Marketing Organizations to Vancouver Island's tourism industry?

6. VERY SIGNIFICANT FOR THE TOURISM INDUSTRY
7. SOMEWHAT SIGNIFICANT FOR THE TOURISM INDUSTRY
8. NOT SURE
9. SOMEWHAT INSIGNIFICANT FOR THE TOURISM INDUSTRY

VERY INSIGNIFICANT FOR THE TOURISM INDUSTRY

Q.17. In your experience, how significant is the contribution of the tourism industry to the social well being of Vancouver Island?

1. VERY SIGNIFICANT TO THE SOCIAL WELL BEING
2. SOMEWHAT SIGNIFICANT TO THE SOCIAL WELL BEING
3. NOT SURE
4. SOMEWHAT INSIGNIFICANT TO THE SOCIAL WELL BEING
5. VERY INSIGNIFICANT TO THE SOCIAL WELL BEING

Q.18. In your experience, how significant is the contribution of the tourism industry to the economic well being of Vancouver Island?

1. VERY SIGNIFICANT TO THE ECONOMIC WELL BEING
2. SOMEWHAT SIGNIFICANT TO THE ECONOMIC WELL BEING
3. NOT SURE TO THE ECONOMIC WELL BEING
4. SOMEWHAT INSIGNIFICANT TO THE ECONOMIC WELL BEING
5. VERY INSIGNIFICANT TO THE ECONOMIC WELL BEING