

Geotourism marketing in Lake Constance' region

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Aim of this work is to evaluate factors responsible for these developments and to show chances for other regions by adopting this marketing strategy. Besides marketing, interaction of tourism, industry and state was important. Many reasons can be found that should result in a worse development of the region around the Lake of Constance. But instead, today this region has a higher population growth than the average of Baden-Württemberg and is the best economic region outside of urban centers. Scientists spoke about an overheated economic growth during the last years that in 2008 comes to a normal but still high level. To attract high potential workers and engineers to support further growth, the region has one main advantage to many other regions – its environment. In case of “Lake of Constance” region, different marketing strategies were used. The complexity of successful marketing for a region is high and finding the right combination of marketing strategies is difficult but can positively influence the development of a region, its economy and tourism. At the same time, the marketing for economy and tourism positively reflects degree of popularity in the region.

Key words: Geotourism, development of the region, marketing, advantages, location factors, integrated marketing for the development

Introduction

The Lake of Constance is surrounded by mountains. From the point of logistics it is disadvantage, but supported by Geotourism, the region grew to a high tech location that promotes itself. Compared to other regions, the Lake of Constance is now mainly promoted by its high quality products and events. Apples, wine, fish, the Zeppelin, Cigarette (high tech boats), the Bregenz Festival, the Seenachtsfest of Constance, water reservoir for greater Stuttgart, the Reichenau as UNESCO world cultural heritage etc. “Lake of Constance” is trademark that promotes itself!



Fig. 1. Lake Constance' vicinity [14].

Lake Constance today, its advantages and disadvantages

Many reasons can be found that should result in a worse development of the region around the Lake of Constance, like follows [13, 15, 16]:

- the lake as a barrier for transportation routes, the Rhine fall blocking the direct entrance to the Rhine and the border to Switzerland that will probably be the EU external border for the next several years,
- high habitation density next to the lake,
- partial shortages of high qualified workers,
- heigh environmental compliance for protection of regions sensitive ecosystem,
- growing tourism and population results in higher use of ground and increasing pollution.

But instead, today this region has a higher population growth than the average of Baden-Württemberg and it is the best economic region outside the urban centers. Scientists spoke about an overheated economic growth during the last years that in 2008 comes to a normal but still high level. The lake Constance is successful in several areas. The tourism branch is satisfied with its development, economy is growing

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and the Trademark Lake of Constance has name recognition about 90 %. The region is well known for the high water quality of the lake. About 200 Million cubic meters water per year drinking water are taken from the surrounding regions up to greater Stuttgart, in addition water is used for growing of vine, ecologic fruits, vegetables and fish. It's the most important recreation area besides Stuttgart and Zurich. But the region is as well known for high tech products in the solar energy sector, race boats, automobile supplier, its aviation and aerospace industry. On March 9th 2008, a space lab module, produced by Atrium a daughter of EADS, seated in Immenstaad was send to the ISS. This is one example that shows the structural change of the region during the last years, underlined by the fact, that the service sector increased by 11 % between 1991 and 2001 while other sectors employment declined [13, 16, 18, 20].

To attract high potential workers and engineers to support further growth, the region has one main advantage to many other regions – its environment. This is shown by former slogans like “work where others go for holidays” or “work in the Garden Eden”.

Figure 2 shows important places of the region The Rhine fall, where there is:

1. is Überlingen/Sipplingen, where the water for the greater Stuttgart is pumped down,
2. Constance, university town,
3. Friedrichshafen, centre of industry, place where the first Zeppelin was built and the industrialization started,
4. Lindau/Bregenz, border to Austria/Bregenz Festival,
5. Border to Switzerland, external border of EU.

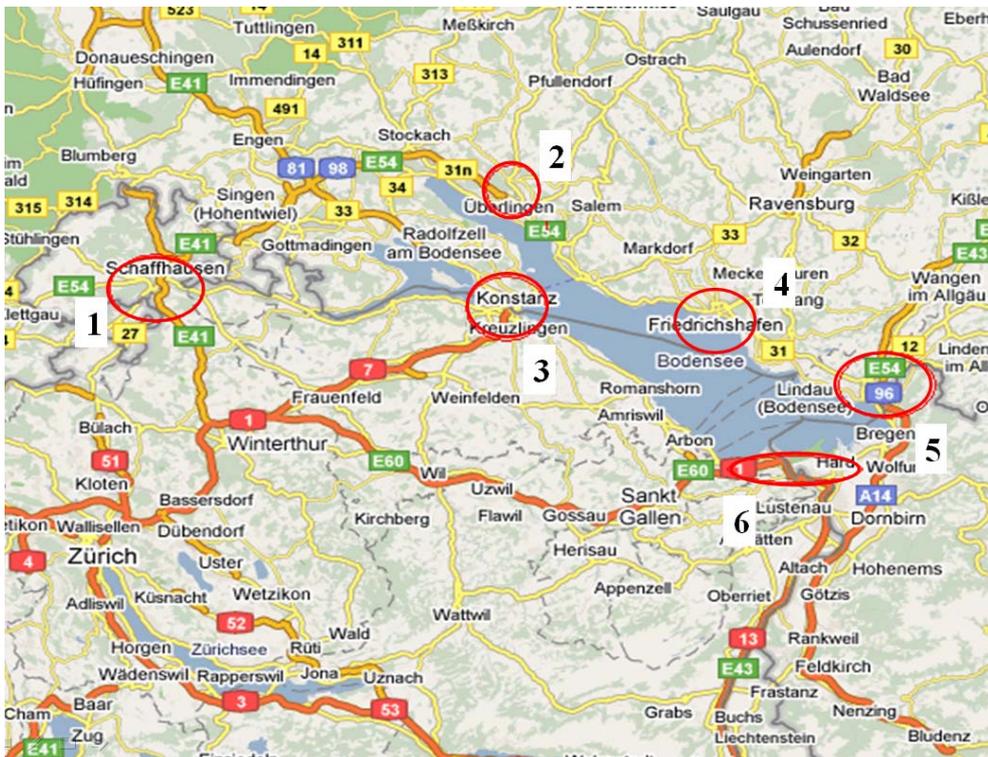


Fig. 2. Important places of the region “Lake of Constance” region, own demonstration according to [19].

History and development

The historical highlight of the lake is the isle „Reichenau“, that is since 2000 a UNESCO world cultural heritage. The isle is most famous for its ecologic vegetables and the abbey built in the year 724. This shows the Christian background of the region, further supported by the diocesan town Constance. The town played an important role for the trade between Germany and Italy.

The importance of the lake for tourism started in the 19th century, powered by the summer residences of several dynasties. Since 1894/95 St. Gallen and Romanshorn use the drinking water of the lake, today it is about 4,5Mio. people. To protect this water reservoir 1960 an agreement against pollution was settled.

The favorable climate early allowed vineyards and subtropical vegetation on the isle Mainau. Today it is well known as the flower island, owned by the family of Earl Bernadotte. First signs of colonization go back to around 3000 B.C.. Already in 1827, Prince Nikolaus von Esterházy supported by the climate settled numerous rare kinds of plants on the isle.

In 1847, the railway was extended from Ravensburg to Friedrichshafen and Lindau. This further supported the transport of persons and goods, the tourism and the economic development. 1899 the first Zeppelin was built at the Lake of Constance. One reason was that there could be produced in a swimming assembly hall that granted a start despite of changing winds. Suppliers followed to Friedrichshafen. The main industrialization took place between 1900 and 1925 though in a very short range. After the Zeppelin lost its importance, the companies settled to the production of aircrafts. Although many parts could be used in a similar form in cars, the region became one of the most important automobile supplier.

In the seventies, the region lost more and more touristic importance due to the ongoing internationalization of tourism. As result, the region improved its offer of activities and infrastructure [1, 10, 12].

Development of cluster

The mentioned examples show the cooperation between companies, region, towns and nations. Altogether improving different location factors; making the region more attractive and competitive compared to other regions. Thereby the liaison of different compatible industries is important. Porter [9] writes about clusters that are typical for the development of industries and branches.

The development of a location succumb similar stages like a product life cycle. The development can be differentiated in four phases according to fig. 3:

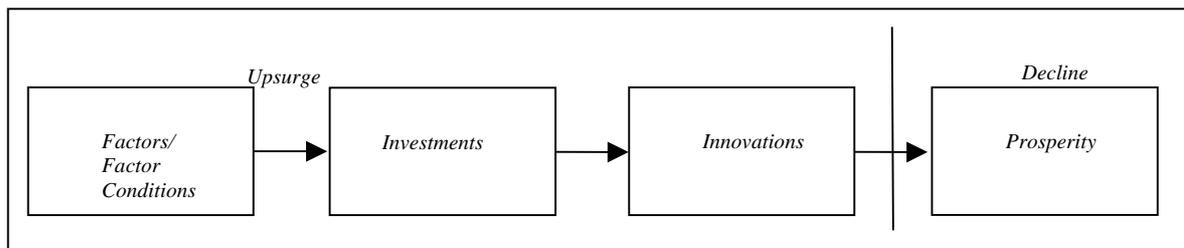


Fig. 3. Typical factors for development of industries and services [9].

At the beginning, factor conditions are the original advantages of a location. For the Lake of Constance it was the environment, the clear water and the geography between three countries, near Stuttgart and Zurich. These factors attracted first lords, than more and more tourists.

The other factor condition that probably would not have been detected without the first was the optimal production conditions for the Zeppelin.

These developments made on the one hand investments in infrastructure, accommodations and tourist attractions necessary. The earnings from tourism created and still create demand potential.

On the other hand, Zeppelin production needed preliminary products which had to be site-made as well as raw materials that had to be transported to the assembly hall. Low and high skilled labor were needed; infrastructure had to be further improved. Therefore the import of know-how and labor as well as investments from other regions was necessary and the willingness of the region to allow changes.

In tourism, like in every other industry, innovations are necessary to fulfill the increasing demand of tourists and consumer or customer in the long run. If the region would not have been innovative in the nineteen seventies, competitiveness would have been lost compared to other touristic regions.

As well, if Friedrichshafen had not concentrated in aircraft production after the peak of the Zeppelin, the region would probably not have the economic strength it has today.

Against a decline, the region counteracts today with investments in education and research represented by the universities in Constance and Friedrichshafen, accompanied by fair trades and conference centers. This shall in times of prosperity defend the region from economic downturns.

For the development of "Lake of Constance" region, the influence of Geotourism should not be undervalued. The factor conditions and especially the first investment, the start of industrialization were driven by the geology of the region [9].

Location factors influenced by Geotourism

The historical development of the presented region was effected by Geotourism and today, influences on location factors are still visible. Based on an empirical research of more than 100 businesses

in 10 countries, Porter developed a construction called the diamond of national competitive advantage, showing the interaction of location factors (fig. 4).

Elements including location factors, relevant for the development of a region are presented in tab. 1.

Tab. 1. Location factors relevant for the development of a region acc. to [9, 6, 11].

Factor condition	Productive input of important production factors Base factor Progressive factors <i>Sectoral and industry spanning factors</i>	<ul style="list-style-type: none"> • Costs and availability of material resources, • Human sources, Knowledge, • Capital resources, • Product and process technology • Infrastructure • Natural resources • Low qualified labor, • Basic infrastructure • High qualified labor • Information of development infrastructure
Demand conditions	Internal demand Foreign demand	<ul style="list-style-type: none"> • Classification of the Market to • Composition/customer • Size • Pattern of growth • Innovation demand • Quality • Technique • Placing national preferences abroad • Information exchange
Related and supporting branches	Supplier Competitor	<ul style="list-style-type: none"> • International competitive • Powerful • Locality • Coordination and communication • Innovation and improvement process • Market share and power • National competition /competition pressure leads to higher motivation • Improved information based on local proximity • Local cooperation • Market overview
Business strategy, structure and competition	Demanding groups	<ul style="list-style-type: none"> • Shareholder • Stakeholder • Other corporate groups • Trade union
State/Country	State interference	<ul style="list-style-type: none"> • Tax, import tax • Subsidies • State demandant political stability • Safety and environment standards • International positioning • Competition regulations • Economy and foreign trade politics
Chance	Chance events	<ul style="list-style-type: none"> • Discoveries • Important technological changes • Extreme fluctuation of finance or exchange market • Price changes for raw materials and advanced goods • War and other unforeseen events
Other factors	Social culture Physical factors Business strategy	<ul style="list-style-type: none"> • Language • Mentality • Code of conduct • Distance • Internationalization goals • Profit goals • Traditions • Social aspects
Geotouristic factors	Given advantages generated advantages	<ul style="list-style-type: none"> • Climate • Topography • Landscape • Environment protection • Attractions • Awareness level

The diamond is divided into four main and two side elements and it is expanded by other factors, influencing about all elements and Geotouristic factors, specific for “Lake of Constance” region which had effects on other factors, factor and demand conditions [9].

The diamond with the causalities is shown in the following graph:

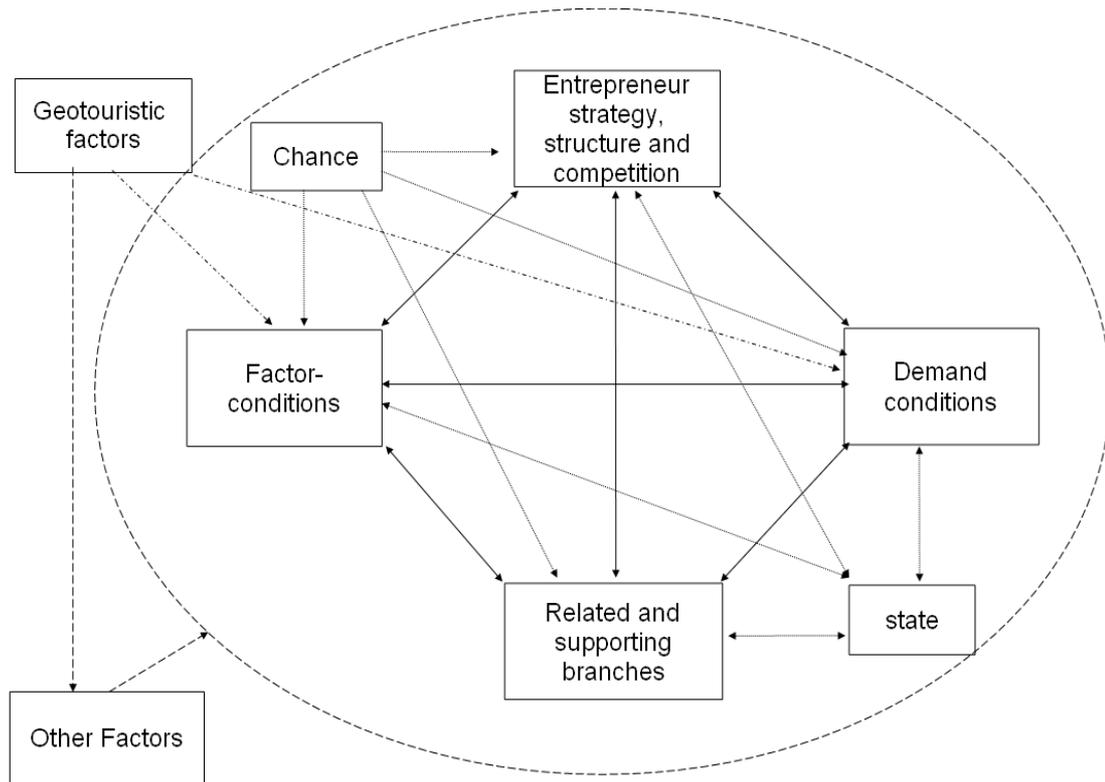


Fig. 4. Interaction of location factors. Own demonstration according to [9, 7].

Description of location factors

- Human resources have to be and are attracted by the high recreational value of the region, it is the most important advantage compared to regions with higher population density. These regions can offer a higher variety of jobs going ahead with better opportunities of advancement. But for families and children houses in greater areas are much more expensive, offer less space or are more far away from the workplace.
- Knowledge-resources are especially necessary for high tech industries. Fundamental research is needed to gain competitive advantage in the long run while process enhancement is important for cost advantages. Those resources can be created by universities, in co-operation with companies or from companies themselves. But high qualified labor is always necessary.
- Capital resources are used for investments in research and development but also for investments to the production of goods which can be further diversified in investments to plants and buildings and investments to equipment. Geotourism improves the capital resources by income from tourists.
- Product and process technology is necessary like the capital resources for the production of goods. Further developments need again high qualified labor and investments in research .
- Infrastructure is one of the disadvantages of the region as mentioned above. Especially the transportation routes have space for improvement in parts of the region. The advantage of waterways for transportation has importance only at the beginning of industrialization, today, the lake is more a disadvantage. The missing or inadequate connection route from the eastern to the western part of the Lake has to be reconsidered also. For many years from now, a new highway is planned but building it next to the lake would destroy parts of the landscape and have negative effects on tourism and bordering regions are not willing to have the road to their territory.
- Natural resources support the development for example of oil exporting countries. But the region is neither rich nor well known for natural resources except water that do not improve the income directly but the name recognition. The better name recognition is used for marketing purposes reducing the costs for marketing to gain the same success and/or improving the result of marketing.

- Low qualified labor is today more a risk than an important location factor. Especially for high tech industries that have settled at the Lake of Constance,
- High qualified labor is necessary to develop the technologies further and to gain competitive advantage. The landscape and environment helps to attract those workers as a high variety of industries and companies offering opportunities for advancement like in greater areas it is not given. High qualified labor is the essential part of human and knowledge resources.
- Basic infrastructure was a very important factor improving the quality of living and the attractiveness of a region. Otherwise, attracting high-tech industries is not possible due to missing of new workforce and attractiveness. The Mettnau health resort and the Bodensee-klinik, one of Europe's leading hospitals for aesthetic surgery as well as public schools and universities are only few examples for the high quality of basic infrastructure of the region.
- Composition/customer: When Geotourism started in the 19th century, first only very rich and later rich people had the chance for holidays or a summer residence at the Lake of Constance, bringing money and jobs to the region. Over the years the kind of tourist changed and become more mixed. The number of jobs and the turnover of the tourism industry increased. Interactions with other industries became more and more important and created further offers.
- Size/Number: The number of customers increased due to declining of transportation costs and higher welfare. The other industries increased also; otherwise, the strong economic growth during the last years has not been possible.
- Quality is a main marketing criteria and location factor of the region. One main reason for the popularity of the Lake of Constance is definitely the high water quality. Since this water is used for drinking water in the urban centre Stuttgart, people are sure that the quality is very good and many of them know where their water comes from. To complete the picture for the whole region other products from the Lake of Constance fulfil the same standards than the water, respectively the lake - they are of high quality and environment-friendly.
- Information exchange is supported by tourists and again the 200mln cubic meters drinking water per year. During their holidays, tourists can try the products of the region, meet inhabitants and see signs of products and companies.

All mentioned factors are influenced by or originate from Geotourism and as shown, the geology is still an important factor of marketing.

Regarding the development of the region, the first cluster was tourism caused by the given Geotouristic factors, the advantageous climate, the diversified topography and the topography. At the beginning of the twentieth century it was still important for the region but a new, additional cluster arose, aviation and high tech industries, the industrialization took place. But this development threatened the other cluster Geotourism. In other regions, many environmental damages were caused thereby. At the Lake of Constance, environment was protected by law and both clusters still exist today.

Likewise the environment had to be protected, the competitiveness in high tech industries had to be kept from setbacks as well. Continuously, new high-skilled workers are attracted and qualified. An increasing number of Cluster reduces the dependency on the development of one cluster.

Impact of integrated marketing for the development

A grade of knowledge of 90 % is difficult to reach. In case of "Lake of Constance" region, different marketing strategies were used. The complexity of successful marketing for a region is high and finding the right combination of marketing strategies is difficult but can positively influence the development of a region, its economy and tourism. At the same time, the marketing for economy and tourism positively reflects regions degree of popularity.

To gain advantages compared to other regions, this interaction of companies, industries and state is necessary as declining transportation costs lead to a strengthening competition. A location is no single point, it is the result of the interaction of several players resulting in towns, regions and nations. Therefore, a competition of locations is always a co-operative form of competition. Intersectoral co-operations support a continuous process of research and development. Intersectoral means not only between companies, it represents interactions of the state as well. Especially in areas that are important for future developments but cannot be incurred by companies, state support and investments are necessary.

These interactions are supported by social networks, confidence and common identity that support the exchange of information. National borders are no barrier; otherwise, a region compassing three countries could not have that economic strength. Another important factor improving interactions is tourism. Regarding the historical development of "Lake of Constance" region shows the importance of Geotourism

supporting the interactions between this region, greater Stuttgart and greater Zurich. Further Geotourism is linked to other industries like farming as well.

Offering only “landscape” as Geotouristic attraction is not enough - the region had to recognize in the 1970th. Other industries had to be taken into account to keep the region competitive. Geotourism was and still is the gate keeper between industries, supporting social networks and attracting new high-skilled workers.

Bieger recognized that today a main characteristic for successful regions is still the accumulation of networks and cross-linked companies. It is not important whether they are of the same industry or not. The exchange of knowledge is supported by spatial closeness of companies and research institutions. This improves the competence built-up and by this way the competitiveness of a region. Core Competences emerge from long-time experiences and are inimitable. The advantages of co-operations appear not immediately as well. Especially intersectoral co-operations have to fulfil several conditions that are not natural [2].

Conditions belonging to Hollbach-Göring and Grabow are as follows:

- Identification of the right questions, trying to offer win-win situation to all participants
- Necessity of confidence-building measures to improve the willingness to invest and to offer the necessary means for communication
- Identification of “right” participants having the necessary resources and competent workforce
- Agreement of objectives according to content, arrangement of communication, projects and controlling [4, 5].

The improving competition of locations concentrates mainly on three objects:

- Investors, which must be acquired to generate new and to secure existing jobs. Investments are to keep necessary the competitiveness of the industry, to attract new investors and to attract high skilled labor.
- Inhabitants and workforce, partly attracted by investments improve the attractiveness of a location. They raise spending power and tax payments. High knowledge attracts investors and provides contributions to the formation of cluster.
- Visitors strengthen the local spending power due to their temporary residence and they improve the name recognition of a region. Visitors have to be divided into the categories visitors, business visitors and tourists.

Beside visitors, investors or companies and inhabitants are important for tourism as well. Residents get visits from their friends and relatives. Even if they stay overnight, statistical recordings are impossible. Companies support tourism by inviting colleagues, customers and other business partner. Maybe this is no tourism using a tight definition by it is included in the international UNWTO definition. Therefore the numerous tutorials and workshops for example at the castle Maurach can be regarded as tourism as well [3, 8].

Interesting is that the lake and the clear water is an essential part of marketing. A slogan for agricultural products is: “Fruit from the Lake of Constance tastes like holidays”. The Lake of Constance is not only a region or a lake, it’s a trademark. Every advertisement for fruit makes image improving marketing for the region as well. This of course supports tourism, and tourism supports the interest in the region and its products.

Tourism itself is supported in different ways. On the one hand, the region promotes itself as it is a recreation area closed to Stuttgart and Zurich. The wonderful landscape offers the possibility for many activities and places to relax, in the mountains, the water, the fields and sights. Main attractions are sailing, biking, walking, other water sports and spa. But the region offers historical highlights as well like towns Constance, Meersburg and Lindau with their old town centers and museums for young and old.

On the other hand, there are highlights like a long carnival tradition or events like Bregenz Festival or the Seenachtsfest of the towns Constance and Kreuzlingen. These events attract a lot of tourists. They are promoted by internet, radio, and other advertisement. Thus the events attract tourists and make the region more attractive.

The Companies located around the Lake of Constance as well profit from the image and the region itself, what is an important advantage for attracting high qualified workers. Universities in Friedrichshafen and Constance give further support. Best known are high tech companies like ZF, an automotive supplier; sunways AG, a producer of Photovoltaic or EADS Space Transportation Friedrichshafen. When an important EMCS laboratory was sent to the ISS, the topic was: “From the Lake of Constance to space”. Here again the interaction between company and region can be recorded. The image of the region supports the image of the companies and the companies support the image of “Lake of Constance” region.

Conclusion

Is this concept transferable to other regions? Sure it is but it's a long way to go. An exact projection of the influence of a marketing campaign on the image of a company is very difficult or not possible. For a region, predictions are much harder. In the case of the Lake of Constance it was and is an ongoing development. The important factor for success is the non-reversible characteristic of the region, the ambition for conformity between nature culture and economy. The development of the region is the result of the development of several industries. For the presented region, the first upsurge came from Geotourism followed by the industrialization and the production of Zeppelin. While the trend from Geotourism still remains, other industrial developments changed over the years. The decline of the Zeppelin production was absorbed by the aircraft and later by supplier parts production for automobile manufacturers. Today, the region is specialized on high tech products, renewable energy sources and with increasing relevance the service industry.

This underlines the necessity of interaction between industries, state and companies. Otherwise the development of new rising industries and the maintenance of a successful region would not be possible. Tourism constantly supported the development of the region; it is an important factor, influencing the image and attractivity. Marketing of a region is more difficult than the marketing of a product due to the high competition and problems arising from the coordination and communication of different advocacy groups. Creating an image for a region is even more challenging and sometimes only possible by government regulations. Without protecting the cleanliness of the water, the image of "Lake of Constance" region would not be the same like today.

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