

Cultural Touristic Offer: from Equilibrium to Efficient Tourism Flows

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Tourism significantly contributes to local economies, particularly in cultural destinations, where it supports cultural activities and heritage preservation, through the associated revenues. However, over-tourism raises concerns due to its social, cultural, environmental, and economic costs, often harming local communities and threatening sustainability. Existing studies largely focus on case-specific benefits or costs, lacking a unified framework to assess net benefits by balancing tourism's positive and negative impacts.

This work proposes to look conceptually at tourism according to a neo-classical perspective, emphasizing the influence of culture on the dynamics of marginal costs and benefits, and determining an equilibrium level of tourism flows. Recognizing the limits of identifying one single equilibrium level, the work deepens the reasoning by devising efficient ranges.

To do so, the contribution first revisits the theoretical framework of the optimal city size (Alonso 1971, Richardson 1972 and 1973) from a tourism perspective (Cerisola et al. 2024). In this respect, we expect culture to increase marginal location benefits (MLB) more than it increases marginal location costs (MLC) (generating an overall increment in the optimal/equilibrium level of tourism flows).

Subsequently, the study makes use of the SOUDY model (Camagni et al. 1986, Capello and Camagni 2000) to interpret touristic flows, linking the way in which culture is valorized to the quality of the cultural touristic offer, suggesting benefits for high-quality cultural offerings and, through this mechanism, favouring a more sustainable development. In this regard, we expect valorization of culture to increase the quality of the cultural touristic offer and therefore to increase average location benefits (ALB) more than it increases average location costs (ALC) (generating an increment in the “sustainable” level of tourism).

An empirical analysis is carried out on Italian municipalities to prove the reasoning through the estimation of average location benefits (ALB) and average location costs (ALC) as functions of tourism flows and quality of the cultural touristic offer. Finally, some specific and relevant qualitative examples are proposed, to inspire suitable policies for the sustainable management of touristic flows and for making the most of existing cultural heritage, without damaging the local economic and social environment.

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