Coopetition, Resource-Based View and Legend: Cases of Christmas Tourism and City of Rovaniemi

Rauno Rusko¹, Petra Merenheiro¹ & Minni Haanpää¹,²
¹ University of Lapland, Faculty of Social Sciences, Rovaniemi, Finland
² The Multidimensional Tourism Institute (MTI), Rovaniemi, Finland

Correspondence: Rauno Rusko, Management and Organizations, Faculty of Social Sciences, University of Lapland, P.O.B. 122, FI96101 Rovaniemi, Finland. Tel: 358-40-484-4204. E-mail: rauno.rusko@ulapland.fi

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Abstract

Coopetition is a promising and challenging perspective to understand cooperation between competing individuals, firms, organizations and networks. In the literature, coopetition phenomenon has been connected with strategic alliances, territorial development work, resource-based view and several forms and branches of business, marketing and tourism among others. We consider these perspectives and introduce their practical connections using one specific forms of leisure tourism, namely Christmas tourism. This study contributes, in addition to revealing these connections with coopetition, also emphasizing the joint importance of territorial brand, tourism and international legend and events in the context of coopetition. This case study research shows the power and applicability of coopetition perspective in business studies.

Keywords: coopetition, resource-based view, Christmas, tourist event, Rovaniemi

1. Introduction

Due to increasing competition among cities, competitiveness has become a popular theme among the contemporary literature of urban economy (Begg, 2002, Ranci, 2011, Kresl and Singh, 2012). This study is focused on the urban competitiveness. Determinants of urban competitiveness vary with the source of information. Typical determinants are e.g. the growth of per capita income, health care, education level, university and research centres/labor force, the number of cultural institutions, transport infrastructure and services (Kresl & Singh, 2012, 254). Sustainable competitive advantage, Resource Based View (RBV) and its VRIN-criterions have typically been used in the context of firm (Barney, 1991). The features in the management of cities resemble more and more the features of the management of firms, however, and several managerial tools for business have been launched into the public sector, new public management being a good example of this development (Pierre, 1999).

In addition to competitiveness, also the importance of cooperation between areas and cities has been admitted in the literature. This cooperation of areas is often in the forms of networks, which have various manifestations, such as networks based on international firms (Taylor, 2001), destination marketing organizations (Wang & Fesenmaier, 2007; Kylänen & Rusko, 2011) and place marketing (Kavaratzis & Ashworth, 2008).

Thus, there are both competition and cooperation between areas and cities. Simultaneous competition and cooperation between organizations is called as coopetition (or co-opetition) (See, e.g. Brandenburger & Nalebuff, 1996). Coopetition is also studied in the context of areas and tourism (see, e.g., Mariani, 2007; Kylänen & Rusko, 2011).

Coopetition is a promising and challenging perspective to understand cooperation between competing individuals, firms, organizations and networks. Coopetition is a multidimensional perspective and in the literature, it has been studied in the context of strategic alliances (Zineldin & Bredenlöw, 2003), territorial development work, resource-based view (Ritala, 2010) and several forms and branches of business, among others marketing and tourism. The study here considers and combines these perspectives using one specific forms of tourism business, namely Christmas and Santa Claus tourism and its events. This specific case unites several themes, such as the importance of long-term territorial brand, tourism and international legend in the context of coopetition. Associated with these issues, this study deliberates the role of territorial brand as a
sustainable resource for a city having reflections towards resource based view.

This study is organized as follows: in the next section, we will introduce the theoretical framework of the study, which is based on three themes: coopetition, resource based view and territorial brand. In the methodology section, we describe our methodological choices and the design of the study, after which the outcomes of empirical part are presented. These three perspectives are discussed in the discussions. Finally, in concluding remarks we also make suggestions for further research.

2. Theoretical Framework: Coopetition, Resource Based View and Territorial Brand

2.1 Coopetition

Coopetition (or co-opetition) is simultaneous cooperation and competition between organizations, firms or individuals (see, e.g. Brandenburger & Nalebuff, 1996). Coopetition theme is a relatively fresh research subject in the management and marketing literature. Although the important practical elements of coopetition, it has not achieved the status of paradigm, such as cooperation or competition perspectives have achieved (see, e.g. Padula & Dagnino, 2007; Bengtsson et al., 2010).

Already now coopetition phenomenon has several different forms and manifestations according to the business literature. In this section we concentrate only some of them: intentional coopetition vs. unintentional coopetition, procedural coopetition vs. contextual coopetition, dyadic coopetition vs. multifaceted coopetition, coopetitive networks, coopetitive advantage and coopetition related to resource based view.

Typically, coopetition is assumed to be intentional planned cooperation relationship between competitors. However, competition legislation restricts the possibilities of intentional coopetition. According to Bengtsson & Kock (2000) and Walley (2007), it is possible that cooperation and competition occurs different stages of supply chain. Often there are more cooperative actions in the upstream parts of the supply chain and more competitive actions in the downstream parts of the supply chain between competitors. If there is a cooperative relationship in the downstream parts of supply chain, the firms easily drift towards illegal cartel or collusion (see, e.g. Rusko, 2011a, b).

However, some business studies have focused on unintentional coopetition. Kylänen & Rusko (2011), for example, notice that in the context of Destination Marketing Organization (DMO) in the branch of tourism there easily is unintentional type of coopetition, which is based on personal relationships between workers, co-location and geographical proximity. Mariani (2007) notices emergent coopetition while considering development projects focused on Italian opera houses. In this case, the role of government and public sector is important activator for cooperation between competing opera houses. There are also in the marketing actions cooperation situations between competing firms, which are not intended (Okura, 2007). Okura (2007) calls this kind of external effects as spillover effect: while marketing one’s business the other firms also might gain about the marketing campaign.

Coopetition enables also win-win-win situation (Walley, 2007), which Rusko (2011a; 2011b) calls as “multifaceted coopetition” meaning the situations in which there are coopetition between firms in the case, where also other participants are involved in the relationship. Luo (2004), for example, consider situation where two competing mobile phone firms, Nokia and Motorola, are cooperating in China in order to build infrastructure suitable for manufacturing with the help of local government. Walley (2007) considers coopetition situation where also customers are gaining the arrangements. Also the case of Italian opera houses is possible to interpret to be multifaceted coopetition (Mariani 2007).

The situation, where coopetition is actualizing only between competing firms, is called as a dyadic coopetion (Bengtsson & Kock, 2000). In this kind of situation the tension between coopetiting firms is on the high level. Ritala (2010) names this kind of situation as coopeticitive advantage, where firms are not only co-creating value, but also appropriating to value even opportunistic way during coopetitive relationship. Ritala (2010) considers coopetition activities also in the context of resource based view (RBV): the competing firms are cooperating in order to achieve e.g. the higher level of R&D and other capabilities which are possibly sustainable resources in the sense of RBV (see, also Gnyawali & Park, 2009).

The highest level of coopetition is in the form of coopetitive networks. For example, Song and Lee (2012) emphasize the importance of coopetition between networks especially in the context of knowledge acquiring by reducing the cost levels and increasing the efficiency.

2.2 Resource Based View

The importance of resources has been emphasized in several regional and urban studies (Benediktsson &
Karlsdóttir, 2011; Isaksen & Onsager, 2010). The perspectives of RBV have achieved enormous popularity in the literature of business. (see, e.g. Barney, 1991; Barney et al., 2005; Wernerfelt, 1984; 1995; Kristandl & Bontis, 2007; Corte et al., 2012; Nguyen, 2012). It is surprising to notice the absence of RBV discussions in the urban and regional studies. In the studies of place branding this kind of perspective has been provided (Runyan & Huddleston, 2006). In this section we introduce the basic concepts of RBV, the perspectives of prevailing regional and urban studies focused on place-related resources and possibilities to consider intangible assets as a source for sustainable competitive advantage and RBV.

RBV derives from competitive advantage, sustainable competitive advantage and underlying resources of sustainable competitive advantage. The research in the field of management and economics seeks explanations for superior performance of firms. Different from theories emphasizing imperfect market structure (Porter, 1980; 1990; Barney & Arikan 2005, Demsetz 1973 etc.), RBV is emphasizing internal characteristics of a firm, its resources as a source for sustainable competitive advantage, effects of which are more positive on the societal welfare compared with viewpoints of Porter. To simplify, we can say that Porter’s viewpoints are based on the fact that the firms are competing with each other in the zero-sum game, or win-lost game (see, e.g. Brandenburger & Nalebuff, 1996), where the one’s profit means the others’ loses e.g. by using barriers to entry as a strategy. In the case of RBV, one’s profit is based on better resources of the firm compared with other firms. The accomplishment of better resources is possible with new innovations. New innovations mean a new value creation, which is impossible in the zero-sum game. Barney & Arikan (2005) classifies resources into three categories, namely physical capital resources, human capital resources and organizational capital resources. In other words, also intangible assets such as knowledge, values and beliefs have been regarded as resources (Rindova & Fombrun 1999).

Following the debate about the underlying assumptions of the RBV, Barney (1991) has developed more carefully the criteria for resources enabling sustainbale competitive advantage. These criteria are known as VRIN criteria defining characteristics of valuable, rare, in-imitable and non-substitutable. The V and R criteria are about the identification of resources for sustainable competitive advantage. I and N criteria address sustainability of the rent streams flowing from these resources. They are two main ex-post limits to competition. According to Bowman and Ambrosini (2003), these criteria contain the following characteristics (Table 1).

<table>
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<tr>
<th>Valuable</th>
<th>Rare</th>
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<td>-Generates rents that can be captured by the firm</td>
<td>-A firm that possesses a rare resource can generate either superior margins or superior sales volumes from an equivalent cost base to competitors.</td>
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<td>-Resources can enable a firm to be lower cost than rival firms, or they may enable the firm to differentiate its products or services.</td>
<td>-Resource is not commonly found across other competing firms.</td>
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<th>Inimitable</th>
<th>Non-substitutable</th>
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<td>-The more difficult it is for competing firms to replicate the resource, the longer-lived will be the rent stream accruing to the resource.</td>
<td>-A resource cannot be easily replaced by another resource that delivers the same effect.</td>
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<tr>
<td>-Inimitability results from the presence of isolating mechanisms such as causal ambiguity, information asymmetries or social complexity.</td>
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Customary, RBV is focused on the growth of the firm and its resources enabling long-term success. The basic research unit in RBV is a firm, which might be the main reason why RBV has not been considered in the context of regional and urban studies. Because of the increasing competitiveness of cities and other economic regions, these business areas are possible to understand as one uniform unit in the same way as Multinational companies (MNC) with its strategic planning, management and development tasks. There are already some approaches considering the sustainable resources of cities and other regions and resembling the perspectives of resource-based view. Windsperger (2006) claims, that “locations may realize sustainable competitive advantage, if they offer resources and competencies that are difficult to transfer to and imitate by other locations, and if these resources are complementary to the core competencies of multinational firms”. Windsperger (2006), however, does not directly exploit the typical features of RBV into the urban research: he rather adapts Porter’s (1990) diamond model in this context. In the context of downtown research and especially in place branding, RBV has already been exploited by Runyan and Huddleston (2006). They justify their perspective emphasizing
that there are similar features between a downtown and a firm: “Because a downtown is an assortment of businesses, the collective performance of which is reflected in the success level of the downtown, we posit that downtowns act like firms” (ibid., 48–49). In addition to study of Runyan & Huddleston (2006), several other studies impose brand identity or image as a resource of RBV (Barney, 1991; Peteraf, 1993; Runyan and Droge, 2004; Peters et al., 2011). Often brands have imperfect mobility, one of the criterions of VRIN (Runyan & Huddleston, 2006). Also Hall (2008) considers Christmas tourism and place branding in the context of regional advantage and resources, although without an outspoken RBV perspective in his study.

2.3 Territorial Brand and Events

Although the importance of territorial brand and place branding in tourism business, the amount of research literature focusing on the territorial brand is relatively minor (see, Dziewidek, 2009; Lorenzini et al., 2011 and Denicolai, et al. 2010). However, according to Richards & Palmer (2010), tourist events are an essential part of place branding.

Generally, brand is a very popular concept in business studies having various definitions. For example, American Marketing Association and Kotler and his colleagues (2003, 631) see brand as ‘a name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors’. Aaker’s interpretations (1996, 68) for brand is following: ‘a brand is a multidimensional assortment of functional, emotional, relational and strategic elements that collectively generate a unique set of associations in the public mind’ (see, also Lorenzini et al. (2011, 542)). Notable is, that the latter definition emphasizes especially the relevance of place branding.

The building of territorial brands is a way of promoting the territory and place in order to attract investments and populations, to promote the companies located in it as well as their products and to increase the portfolio of established companies. It also has connections with promoting the territory as a tourist destination (Lorenzini et al., 2011). Also, events have the same aims having place promotion one of the main targets (Hall, 1989; Richards and Palmer, 2010). In addition, territorial brands are a particular type of brand that has been addressed also in the literature on place branding. In addition, territorial brands aim to promote an image of quality and sustainability of the territory, they can be considered as a tool of place branding (Lorenzini et al., 2011). This perspective has also connections with resource based view.

One important tool for place branding is tourism events. Major tourist events, which are also called as “hallmark” tourism events are often important part of territorial and city planning. Such events rely for, according to Ritchie (1984), their success on uniqueness, status, possibly timely significance in order to create interest and attract attention (Hall, 1989). Because of their financial, social and environmental costs, hallmark tourist events are typically based on the participation of public sector e.g. in the forms of financing. The aims of territorial branding are parallel with (hallmark) tourism events: it is a means of improving the city and making it more attractive and liveable (Richards & Palmer, 2010). Especially therefore, Richards & Palmer (2010) see events as an essential part of place branding.

Kavaratzis (2005) and Lorenzini et al. (2011) divide place branding into following five parts: place of origin branding, nation branding, culture/entertainment branding, destination branding and place/city branding. Based on these components, place branding may consist of the use of the qualities, images, stereotypes of the place and the people living in that place, the effects of branding the nation for the benefit of tourism development and the attraction of foreign investments, the effects of cultural and entertainment branding on the physical, economic and social environment of cities, the role of branding in the marketing of tourism destinations and an approach to integrate, guide and focus on place management (Lorenzini, 2011). All of these elements are also essential for tourist events as a part of place branding (see, e.g., Hall, 1989; Richards & Palmer, 2010). Also, worth noticing is that territorial brand promotion has connections with web pages, according to Romanazzi and colleagues (2011).

3. Research Design

This study is based on three essential themes: coopetition, resource-based view and territorial brand. The combination of these three perspectives stems from the case study theme of this paper. Namely, the case of this study is Christmas tourism generally and especially in the context of city of Rovaniemi. Christmas tourism is part of the long-term territorial brand of the city of Rovaniemi, which is based on the cooperation between different actors, such as individuals, firms, local associations and authorities in Rovaniemi. Furthermore, the competing Christmas destinations sustain the legend of Santa Claus and practices of Christmas. Thus, resource-based view is important concept because of the long-term economic relevance of Christmas tourism and coopetition is important concept because of the obvious cooperation between the competing organizations and destinations.
This study exploits web material about the most famous Christmas destinations. We use in this study the most popular international pages which compare the features of Christmas tourism destinations (pages were examined during autumn 2011 and 2012). The material is analyzed using the qualitative content analysis of these web sites. The six webpages (Forbes, 2011; Reader’s Digest, 2011; Asiatatler, 2011; CNN, 2012; Reuters, 2012; WLT, 2012) have been chosen according to the first three hits of Google search machine using following search words: most popular Christmas destination world (read 26.5. 2012 and 23.2. 2013). We limited the total number of lists in to six in order to focus fairly small amount of Christmas destinations.

As such, this study is following the case study strategy, which allows several perspectives and methods in order to find out the most essential features of the case (See, e.g. Yin, 2003; Eriksson & Kovalainen, 2008). Although the research interest is in studying the different manifestations of coopetition, RBV and territorial brand, the case of the research is legend of Santa Claus and its features in tourism business. In this case all these three concepts are overlapping. Especially we consider one case study example of Santa Claus tourism: city of Rovaniemi and its features in Santa Claus tourism.

4. Empirical Results of the Study

4.1 Outcomes Based on Web Material

Following the criteria described above, we got 30 different Christmas destinations for content analysis. These Christmas destinations have been considered on table 2 based on the content analysis of six contemporary rankings of Global Christmas destinations provided by the famous media houses (Forbes, 2011; Reader’s Digest, 2011; Asiatatler, 2011; CNN, 2012; Reuters, 2012; WLT, 2012).

There were differences between the features of these Christmas tourism destinations. Especially in four cases: Bethlehem, Rovaniemi, Amsterdam and Santa Claus, Indiana, different stories and long-term traditions are connected with Santa Claus. In Bethlehem, Jesus is the main character. In Amsterdam, they have used “Sinterklaas”, a Dutch version of St. Nick as a bearded gift-giver who rewards good children on December 5th. This tradition is very old and dates back to Pre-Christian traditions (McKnight, 1917). It is also worth noting that in two cases out of three, in which the story of Santa Claus is a particularly important part of Christmas celebrations, Christmas tourism has year-around importance. In Rovaniemi and especially in its “Santa Claus Village” and in Santa Claus Indiana, Christmas and Santa Claus are main all-year features of tourism business. In San Juan and Barcelona, there is a story of “Three Kings”, which is also associated with Christmas festivals.

In the cases of Dresden, Cologne, Edinburgh, San Juan, Manila and Quebec, Christmas celebrations are networked, massive, long-lasting and/or containing specific natural and/or other non-typical resources. Customary, but not internationally so rare, features of Christmas celebrations are based on old buildings and/or skating or music events, which might concur spectacular event. These celebrations have underlying long-lasting cultural importance, which is difficult to evaluate e.g. by VRIN criteria. This is the case for example in London, Montreal, Boston, Prague, Vienna, Rome, Stuttgart, Aspen, Antwerp and Paris. Surprisingly, a relatively small Finnish city, Rovaniemi, was ranked in all of the six evaluated lists. Only New York City achieved the same result. This justifies our focus on the city of Rovaniemi, in identifying economic, societal and cultural nuances and meanings of Santa Claus and Christmas for a tourism destination.

The contents of these web pages (listed in Table 2) show that in all cases the “brand” of place is based on several actors and activities provided by firms, organizations, associations, authorities and places. For example the servicing firms are generally competing with each other, but in this case they are also combining the services of each other in order to provide famous Christmas “show” for the tourists and local inhabitants together.

The content of these web pages has several words, such as “village”, “shops”, “market”. All these expressions contain several, mainly competing firms, which together construct the brand of Christmas destination for the place or city. These features of coopetition resemble the concepts of unintentional, emergent or tacit coopetition (see, e.g. Kylänen & Rusko, 2011; Mariani, 2007), which might be based on some kind of spillover effect (Okura, 2007).

Furthermore, Christmas events are nothing without customers and tourists and other actors. Therefore, there are also nuances of multifaceted coopetition in which several actors are together producing the “spirit of Christmas”. In addition, Christmas events fulfill then ideas of Garcia-Rosell, Haanpää, Kylänen and Markukselo, (2007, 445) about the markets to break off from dichotomies separating customers, firms, employees, locals, and regional economic development—production and consumption—from each other. Therefore, even these spectacular Christmas events need a lot of intentional cooperation between competitors: joint time table and place. The web pages of the case study material do not tell about who are the main facilitators of the Christmas events, but they
are organized in the public places, which fact requires e.g. the permission from the public authorities. Thus, mainly there are cooperation between firms and public authority, which means that there is some kind of multifaceted coopetition (see, e.g. Rusko 2011a; 2011b).

One important feature was obvious in the web materials describing the most famous Christmas destinations and events. The underlying feature for all these Christmas destinations is sustainability: the events and places are constructed for the needs of the Christmas happening year after year. Therefore, their Christmas brand is a result of the long-term yearly practices and culture to coordinate the Christmas event together. Thus, the competing firms have long-term cooperation relationship during Christmas time in order to upkeep Christmas brand of the destination (while doing their business). Thus, the brand of Christmas destination also has characteristics of coopetition, which is connected in resource based view.

One essential feature for hallmark tourist events is a limited duration of the event. Furthermore, the role of public sector is typically important in hallmark events (Hall, 1989). The most famous Christmas destinations have focused their Christmas events in December and especially in the couple of days before Christmas. Only in Rovaniemi and in Santa Claus, Indiana, Christmas and Santa Claus tourism have all-year features. In addition, the role of public sector is important in all of the most famous Christmas destinations.

Table 2. The most popular 30 Christmas destinations and their characteristics introduced by webpages

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<td>New York</td>
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<td>Commercial events, The Radio City Christmas Spectacular over 80 years. In Brooklyn two-story Santas, armies of 30-foot wooden soldiers, motorized carousels.</td>
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<td>Rovaniemi/ Finnish Lapland</td>
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<td>Christmas headquarters in the North of Arctic Circle. Northern lights, reindeer safaris, Arktikum Science Center, Christmas theme parks: Santa Claus Village and Santa Park in Rovaniemi. Santa Claus Village has “the official post office of Santa Claus”</td>
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<tr>
<td>San Juan</td>
<td>8</td>
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<td>Multi-coloured lights in palm trees, January 6, Three Kings Day. 6–weeks-long festivity with Puerto Rico’s holiday traditions.</td>
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<td>Quebec</td>
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<td>Festive outdoor concerts, holiday markets and the extravagant QuébecAdabra! – an evening festival from December 22nd, 2011 to January 4th, 2012</td>
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<td>London</td>
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<td>Christmas events contain Skating aficionados, Christmas concerts.</td>
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<td>Amsterdam</td>
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<td>Sinterklaas, Dutch version of St. Nick as a bearded gift-giver who rewards good children on December 5th.</td>
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<td>Cologne</td>
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<td>Eight different Christmas markets on both sides of the Rhine and the largest one on the plaza in front of the city’s iconic cathedral, the Kölner Dom</td>
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<td>Santa Claus, Indiana</td>
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<tr>
<td>“America’s Christmas Hometown,” a wide array of Santa-themed shops and attractions: Santa’s Candy Castle, the Santa Claus Museum, and Holiday World and Splashin’ Safari. Christmas time all year ‘round. The U.S. Post Office has been sending letters addressed to Santa to the town for more than a century, and since 1914, a group of “Santa’s Elves” from the town has made it their mission to answer each child’s letter. Christmas is not a national holiday but it is a commercial holiday: Japanese go to romantic dinner dates with chicken dinner and Christmas cakes. Traditional Japanese light shows are remarkable. 18th century New England Christmas lights around every cobblestone street corner. 2,800 working gas lamps around town, white lights wrap trees along shopping streets.</td>
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<td>Tokyo, Japan</td>
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<td>9th century New England Christmas lights around every cobblestone street corner, 2,800 working gas lamps around town, white lights wrap trees along shopping streets.</td>
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<td>Boston</td>
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<td>18th century New England Christmas lights around every cobblestone street corner, 2,800 working gas lamps around town, white lights wrap trees along shopping streets.</td>
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| 11. | Nuremberg,  
Germany | - | - | 5 | 9 | Christkindlesmarkt from middle-ages, mega-market with gingerbread and fruitcakes. Spellbinding world of toys in the spectacular Toy Museum is a heavenly retreat for any child as well it is for adults. |
| 12. | Vienna | - | 6 | - | - | 8 | Enchanting Christmas tree decorations in front of the Schönbrunn Palace as classical concerts in the luxurious City Hall building join in to sing Christmas carols. Wooden shops in one of the Europe’s best Christmas markets. |
| 13. | Aspen,  
Colorado | - | - | 9 | - | - | Peacefully nestled amid a trio of snowy mountains, 12 days holiday celebration, shopping, restaurants, and concerts and ice-taking. Popular holiday music events |
| 14. | Dresden | - | - | 2 | - | - | Christmas markets in Germany date back to the Middle Ages and the oldest of them all is in Dresden. |
| 15. | Montreal | - | 2 | - | - | - | More than 2,800 gas lamps stranded-to-glow on the snow dusted streets to light up the town. Coloured light-wrapped trees decorated along the shopping zones create sparkling canopies. Traditional Christmas Village. |
| 16. | Strasbourg,  
France | - | - | - | 2 | - | Themed Christmas villages, Strasbourg Philharmonic and other concerts and cultural events. |
| 17. | Bondi  
Beach  
Australia | - | - | - | 3 | - | December 25th the beach turns into the big Christmas beach party with festival trees in the sand. |
| 18. | San Miguel de  
Allende,  
Mexico | - | - | - | - | 4 | Re-enacted journey to Bethlehem, Pinatas, posadas and ponche sum up the Christmas festivities, UNESCO World Heritage Site for its wealth of grand churches and well-presented architecture. |
| 19. | Prague | - | - | 5 | - | - | Gothic architecture, the Old Town Christmas market |
| 20. | New Orleans | - | - | - | 6 | - | In this French Creole town Christmas events starts from November. Pop-up Christmas theme park, New Orleans City Park, fake snow four times every hour. Hundread of thousands of visitors every year. |
| 21. | Lalibela,  
Ethiopia | - | - | - | - | 6 | Dating as far back as the 12th century and carved out of striking red-color blocks of volcanic rock 11 monolithic churches (also largest one in the world) have been excavated from under the ground with tunnels passageways. Christmas hundreds of priests and 50,000 worshipers. |
| 22. | Rome | 7 | - | - | - | - | Vatican’s place as the leader of Catholicism, making Rome a place where faith and tradition take a more central role than in other cities. |
| 23. | Stuttgart | 7 | - | - | - | - | The medieval Old Palace, Christmas market) |
| 24. | Barcelona,  
Spain | - | 7 | - | - | - | January 5-6 Three kings day with own ship and fired canons. Parade through the streets with camels, elephants, giraffes and dazzling costumes. |
| 25. | Edinburgh | - | - | 8 | - | - | Six weeks of celebrations from St. Andrew’s Day through to Hogmanay (New Year’s) |
| 26. | Manila,  
Philippines | - | - | - | - | 8 | “The longest Christmas season in the world” from September to January. Beach with cocktails, islands are festooned with natives, lantern parades and Christmas bazaars. |
| 27. | Antwerp | - | - | 9 | - | - | Historic buildings, sensational holiday decorations and Christmas market |
| 28. | Queenstown,  
New Zealand | - | - | - | - | 9 | Red, green and white Christmas tree called pohutukawa (red flowers, white sandy beaches and green kiwis), jet boats, river surf or paraglide on Lake Wakatipu, Christmas meal of lamb, seafood, and chicken. |
29. Paris 10 - - - - - Paris is known as The City of Light, which is suitable for the spirit of Christmas.

30. Bethlehem - - - - - 10 The birth place of Jesus. The heart of Christian pilgrimage, Bethlehem, even today has a spell-binding effect on the minds of the pilgrims with its mystical anciently civilized appearance. The enthusiasm and spark at Manger Square and in the Old City is just enough to light up a forest of Christmas trees! The spectacular colours and lightings at St. Cathedral’s Church and the striking of the clock at midnight are some of the mesmerizing experiences.

4.2 Case Christmas, Santa Claus and City of Rovaniemi

Despite its small size (about 60 000 inhabitants), Rovaniemi is mentioned in several international media as one of the most famous Christmas destinations in the world. In addition to its religious content, Christmas is also based on the story of Santa Claus. It seems that for decades Rovaniemi has exploited successfully the visual image and story in a way which also has economic relevance. In this section, we will consider how this long-term effect is possible and if there is anything to learn from this example. While also studying coopetition features, we ask if the story of Santa Claus and Christmas tourism is a sustainable resource for the city of Rovaniemi. The relevance of Christmas in Rovaniemi is so remarkable, that it is impossible to act in any workplace without meeting Christmas brand of Rovaniemi as a part of everyday work tasks. The authors live or have lived in Rovaniemi for several years and have observed the phenomenon of Christmas tourism in the region in their professional and daily lives as researchers and inhabitants.

We will now attend to the question, whether Santa Claus can be regarded as a sustainable resource for Rovaniemi in a sense of Resource Based View (RBV). Unlike usually in RBV approaches, where the basic unit of analysis is a firm, in this case it is a city. The regional tourism statistics of Rovaniemi are an important source of information. According to them, turnover in accommodation and restaurant business in 2009 was 77 million euros. In Rovaniemi, there were 468 061 overnights in 2010 and most of them by foreigners (243 869). (Tourism facts in Lapland—Statistical review, 2011). The statistics show that Rovaniemi is a globally attractive tourism destination. Accommodation and food service (in restaurants) provided 972 workplaces in 2009, which is four per cent of all workplaces in Rovaniemi. Wholesale and retail trade employed 10.5 per cent of all workforce.

(See Table 3)

| Table 3. Employment of the city of Rovaniemi in some industries 1993-2009 |
|-----------------------------|-----|-----|-----|-----|-----|-----|
|                            | 1993 (%) | 2003 (%) | 2007 (%) | 2009 (%) |
| Primaryindustries           | 1 086 5.42 | 681 2.98 | 632 2.54 | 683 2.79 |
| Processing                  | 2 854 14.24 | 3 267 14.29 | 3 896 15.64 | 3 293 13.45 |
| Wholesale and retailtrade   | 2 048 10.22 | 2 308 10.09 | 2 632 10.56 | 2 574 10.52 |
| Accommodation and foodservice| 544 2.71 | 842 3.68 | 858 3.44 | 972 3.97 |
| Accommodation               | 253 1.26 | 299 1.31 | 280 1.12 | 254 1.04 |
| Foodservice                 | 291 1.45 | 507 2.22 | 578 2.32 | 718 2.93 |
| Total employment            | 20 039 100 | 22 865 100 | 24 915 100 | 24 479 100 |


According to Kallio (2012), Rovaniemi has 44 firms in the branch of hotels and accommodation, 120 restaurants and catering companies, 8 travel agencies, 60 firms focused on tourism and experience services and e.g. 116 taxi firms.

It is difficult to estimate the relative importance of Christmas tourism among these key figures. Christmas tourism has, however, all-year character in Rovaniemi because of the large investments in Santa Claus Village and Santa Park in the neighborhood of ‘The official airport of Santa Claus’. These decisions and investments needed multi-level cooperation between different stakeholders of Rovaniemi. The top-season is in winter. Santa Claus and Christmas tourism makes up for a one third of winter tourism in the Rovaniemi city area. The Christmas season is the only season in the city that resembles mass tourism, but its importance in winter tourism
has slightly decreased during the last five years. In December 2010 there were 37,000 charter tourists travelling to Rovaniemi. The number has collapsed to almost half from the top Christmas tourism year of 2004. However, the overnight stays during Christmas season have increased 65 per cent compared to 2001. The biggest groups coming to Rovaniemi are the British and the Russians (Rintala-Gardin, 2011). The decline of Christmas travel has been explained by the economic recession, but there has also been some criticisms on the Christmas product having reached its saturation point and should be examined critically for development and reform (e.g. Hakulinen et al. 2007; Joulimatkailu näivettyy…, 2009).

At the heart of the Santa Claus based tourism is the Santa Claus Village located near the Arctic Circle. It was built in 1985 (Hakulinen et al., 2007, 35). Annually there are around 400,000 visitors (Rovaniemen matkailustrategia, 2006). Meeting Santa Claus has always been a key element of Christmas tourism. The visitors can meet Santa in his office every day of the year. In addition to the actual Santa, the Santa Claus Village offers visitors Santa’s Main Post office, Christmas exhibition, a number of souvenir shops, restaurants and different activities such as reindeer sleigh and snowmobile rides (e.g. Santa Claus Village, 2011). The most recent addition to the village services is a holiday village including 19 wooden cabins at the moment. Also Santa Park, a Christmas world in an underground cave, is located nearby. During the Christmas season the tour operators also build their own activity areas in the woods near the city. There the groups can meet Santa and perform activities in one place.

Santa Claus has relevant economic importance for Rovaniemi, which makes it valuable and an internationally attractive story for the business life. Namely, Rovaniemi provides most of the elements associated with Santa Claus: snow, reindeer and Santa Claus (at least in the Santa Claus Village). The attempts in private and public marketing have emphasized and launched these features of Rovaniemi. “Lapland’s winter is cold, and there is always snow in winter”, is promised by the website of Santa Claus greeting center (http://www.santagreeting.net/santaclaus). Usually, Lapland receives its permanent snow in October/November, and it melts as late as in April. Rovaniemi is situated directly at the Arctic circle, which defines the begin of an arctic area. Physically, the Arctic circle can be crossed in the Santa Claus village, where it is marked in the ground. Santa Claus Village has even marketed the first snow in November 2011 in social media (Note 1).

Highlighting winter, cold and aurora borealis in connection with Santa Claus is one clear attempt by Rovaniemi to connect Santa Claus with its cold and snowy location. Along the climate change, which makes rest of Finland ever more unsure concerning the snowy winters, Rovaniemi being situated in the north, has better chances for a snowy, white Christmas and winter. The climate change is regarded as a threat to Rovaniemi, however. Receiving the snow ever later, as it has happened in recent years, forces the companies to relocate their activities into other parts of Lapland. (Rovaniemen matkailustrategia, 2006.)

Lapland is home for more reindeer than it has inhabitants. After North and Santa Claus, reindeer is the third common thing associated with Rovaniemi by the Finns (Rovaniemen matkailustrategia 2006, 39). Reindeer is even the official symbol for Rovaniemi, and the plan of the town is introduced as reindeer antler plan since drawing a picture of reindeer antlers and head. The story of Santa Claus tells reindeer are good friends of the elves. Santa Claus village has used pictures and videos of reindeer in its marketing website (Note 2), and website of Rovaniemi mentions several reindeer farms in its lists of sights (Note 3). Reindeer sledge rides are shown in many marketing videos and pictures, and offered for travellers by the reindeer farms. Several gift shops in Santa Claus village sell pictures of reindeer and reindeer with Santa Claus as well as products made of reindeer felt or bone. The fact that reindeer meat production is a culturally important source of livelihood in the Lapland region, is largely silenced in Christmas marketing. Eating reindeer meat, as it has been done in Lapland for centuries, is in clear contradiction with the story. Instead, Santa Claus and his friends are told eating pork on Christmas, and lots of different kinds of vegetables.

Rovaniemi has built its tourism concept on the story of Santa Claus from Lapland. It is a belief story contrasting historic stories (Lavia, 2007) that asks “Do you believe in Santa Claus?” The story was developed according to the Finnish version where Santa Claus lives in the mountain Korvatunturi, Lapland, in a hidden place in the middle of snow together with his helping elves. Originally, the Finnish Santa Claus was a strict man garbed as a goat that visited homes and gave presents to kind children and brushwood to mean ones. The element of evaluating people according to their behaviour has remained in the story, but the scary character of a goat has been replaced with the friendly present giving oldster, which is identifiable in the famous character of the American poem “A visit from St. Nicholas” from (1823 Clement Clarke Moore). Snow and cold, which is why he wears such warm clothes (“He was dress'd all in fur, from his head to his foot”) have gained importance. The story is thus located in the cold regions of the globe, north pole or Lapland. The global story tells Santa Claus is flying in the sky sitting in his sleigh that is trailed by reindeer, which are good friends of Santa Claus. The story
rests on goodwill and love (“Christmas spirit”), as stated in the website of the Santa Claus village. The international story of Santa Claus is alive and well. This story relates to the meanings and feelings of Christmas, which arose from such things as memories and childhood nostalgia (e.g. Pretes, 1995, 13). Also the altruism of gift giving, responsibility, caring, generosity and fantasies are associated with the stories of Christmas (Halkoaho & Laaksonen, 2009). According to the web page of the Santa Claus Village in Rovaniemi, the mission of Santa Claus is “to enhance the wellbeing of children and the kindness of grown-ups, as well as spreading the message love and goodwill of Christmas Spirit throughout the globe” (Santa Claus Village, 2011).

The features above show that Rovaniemi and its neighboring regions have natural elements to exploit Christmas and story of Santa Claus in business and especially in tourism. Snow and reindeer are naturally present most of the months. Rovaniemi and its stakeholders have also artificially constructed the Christmas tourism environment via marketing and investments in “Santa Claus Village”, “Santa Park” and in “The official airport of Santa Claus”.

One revolutionary event in the history of Christmas tourism was the first Concorde flight to Rovaniemi in 1984 arranged by Goodwood Travel travel agency. The media interest toward this event was enormous and it was followed by annual flights until 1999, when the Concorde flights had to be stopped because of the accident in Paris. Diverse other charter-based tourism had been developed, and in the 1990’s tourism experienced a rapid growth in the Rovaniemi region. The customers were mainly from Great Britain and as time went on there were more and more families travelling to meet Santa Claus. In the beginning of the 2000’s, the charter flights expanded to other European countries. In 2005, the number of British tourists began to decrease (Hakulinen et al. 2007).

Rovaniemi still grounds its marketing and tourism development extensively on the story of Christmas and Santa Claus. Rovaniemi has been claimed The Official City of Santa Claus by trademark. In its tourism strategy for the years 2006–2016, Christmas is still one of the key elements for the marketing and development actions planned (Rovaniemen matkailustrategia, 2006). Yet it has been noted that the Christmas product has somewhat lost its magical glow and is mediocre in terms of price and quality (Rovaniemen matkailustrategia, 2006). The measures taken in order to maintain the Christmas product and brand are listed as developing more up-scale Christmas offerings, suitable offerings for individual tourists and longer stay in the region. Rovaniemi aims at being the number one Christmas destination in the world by 2016 (Rovaniemen matkailustrategia, 2006).

5. Discussions

The content analysis of the web pages about the most famous Christmas destinations shows that cooperation between competing firms is necessity in order to achieve the world-wide fame brand for Christmas tourism. Even in each destination of the sample, the cooperation between competing firms in order to provide attractive Christmas events were obvious. Furthermore, the analysis revealed that public sector has to be involved in organizing this Christmas brand. This is because the story of Christmas and Santa Claus is considered as a regional resource which is not possible to own by any individual firm.

Cooperation between competing organizations means that there are coopetitive situations practically in all of these cases of Christmas destinations: the firms and other actors have to decide time table and the use of places during Christmas time. Mostly they also have joint programs and other joint activities. This means, that successful Christmas destination requires intentional coopetition between firms. In addition, this coopetition has long-lasting features: brand of famous Christmas destination needs repetition year after year. Some of these Christmas traditions are even maintained for centuries. In the case of Rovaniemi, this cooperation between different organizations has been taking place for several decades.

Because of this long-lasting feature and economic relevance, Christmas brands have connections with resource based view, although some the VRIN criteria are open to interpretations, for example their rareness and non-substitution: several Christmas destinations have resembling features. For example, Rovaniemi and its Santa Claus Village have several similarities with Santa Claus Indiana, such as the official post office of Santa Claus.

The highest level coopetition is between these competing Christmas destinations: all of them, and e.g. top ten lists of media, are maintaining the legend of Santa Claus and Christmas and its economic relevance. This is possible to interpret, in addition to multifaceted coopetition, also coopetition between networks (see, e.g. von Friedrichs Grängsjö, 2003), which has also unintentional features (Kylänen & Rusko, 2011).

Both the content analysis and “story” of Rovaniemi above show the importance of multifaceted coopetition associated with constructing the brand for Christmas destination. Because of Christmas, firms and public authorities, organizations and associations cooperate with each other. In some place, e.g. in Rovaniemi, this
territorial brand building is a year-around activity. Rovaniemi is a typical relatively small city, where there are several stakeholders from business, public authorities and politics with different diverging aims. In contradiction to the natural divergence of aims, Santa Claus and Christmas are the connective features in the city strategy of Rovaniemi. Of course there are various means to promote the status of Christmas city, but all the stakeholders see the Christmas brand associated with Rovaniemi as an important target for the city. Kallio (2012) has noticed this uniform feature in the context of Christmas city brand process in Rovaniemi. According to the managing director of Rovaniemi Tourism & Marketing Ltd., all the stakeholders who participated in the brand process of Rovaniemi agreed unanimously that the core message of Rovaniemi is Christmas:

The brand process began without the aim that this will be any Christmas brand process, we didn’t sit down for the negotiations because of Christmas, but in order to find the inmost and the core of Rovaniemi. It (the brand) was shaped under the guidance of experienced professional for a relatively long time. Gradually a consensus was reached... in which the core message is one word... and this one word is Christmas. All participants signed this, regardless of the branch they were representing (Kallio 2012, 16).

The case of Rovaniemi as a Christmas destination confirms the importance of place branding, which is already connected with RBV by Runyan and Huddleston (2006) in their study of downtown.

6. Conclusions

The case study examples of this paper, focused on Christmas tourism destinations, show the relevance of coopetition concept: this traditional festival, which is based on an old legend or story, has several coopetitive features all over the world. There are, for example, the intentional coopetition between firms, unintentional coopetition, multifaceted coopetition in which also public sector and other participants are involved in. In addition, the different competing Christmas destinations upkeep the legend and the brand of Santa Claus year after year constructing together an unintentional coopetitive network of Christmas tourism. The (economic) relevance of Christmas is based on the traditions. The repetition of Christmas festivals and purposeful development work on Christmas brand seem to be sources for success in this branch. In some of the destinations, Christmas brand and activities are even all-year features. This is the case in the city of Rovaniemi, for example. These features also mean that there are nuances suitable for resource based view (RBV), although the Christmas festivals have several similar world-wide elements.

Furthermore, this study and its cases show the importance of place branding and events in leisure tourism and in this case, especially associated with Christmas tourism. Because of the features typical for events, such as (mostly) limited duration and the great importance of public sector, Christmas tourism is also one form of event tourism and “hallmark” tourist events.

This study provides several possibilities for further study. The role of social media in the context of stories associated with tourism is interesting. There might also be other future trends associated with Christmas destinations in general and Rovaniemi in particular, which provide several new perspectives for further studies. This study considered the RBV without any significant criticism. Despite its popularity, RBV is a widely criticized theory of management (see, e.g. Pitelis, 2003). One possible theme for further study is to consider the theoretical weaknesses of RBV in the context of city tourism and Christmas tourism.

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Notes
Note 1: http://www.youtube.com/watch?v=DLYR7HCiw8U

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