RESIDENTS' PERCEPTIONS AND
THE ROLE OF GOVERNMENT

Robert Madrigal
Ohio State University, USA

Abstract: Molotch argues that cities may be conceived as growth machines designed to maximize the interests of a small, powerful elite. Future land-use and the competition for it constitute the political and economic essence of any locality. Each comprises a number of smaller (nested) communities which emerge in reaction to public policy decisions regarding land-use, with each group having a particular vision of land development. On the basis of residents' perceptions, this study identifies three nested clusters of residents from two cities located in two different countries. Attitudes toward local government's role in tourism are compared. As hypothesized, differences among nested communities are greater than differences between cities. Keywords: resident perception, government role, tourism development.

INTRODUCTION

A number of studies in recent years have examined host residents' perceptions of the impact of tourism development on their community. Residents' perceptions have been shown to be influenced by a number of factors, including personal economic reliance on the tourism industry; the importance of the industry to the locality; the type and extent of resident-visitor interaction; and the overall level of tourism development in the community (Murphy 1985). More specifically, research has shown that heavy tourism concentration (Madrigal 1993; Pizam 1978), greater length of residency in the community (Liu and Var 1986; Madrigal 1993; Pizam 1978; Um and Crompton 1987), and native-born status (Canan and Hennessy 1989; Davis, Allen and Cosenza 1988; Um and Crompton 1987) have been linked to greater negative perceptions of tourism. In contrast, economic reliance has
been linked to more positive perceptions of the tourism industry (Madrigal 1993; Milman and Pizam 1988; Pizam 1978), and a positive relationship has been reported between distance of residence from the central tourism zone and perceptions (Belisle and Hoy 1980). Furthermore, although often included and occasionally marginally significant in some studies, socioeconomic variables appear to have little relationship to residents' perceptions of development (Liu and Var 1986; Madrigal 1993; Pizam 1978).

To date, little research has examined the link between residents' perceived impacts of tourism on their community and their attitudes toward local government's role in tourism development. In general, local government has been recognized as being the most important authority in establishing tourism development policies (Bouquet and Winter 1987; Pearce 1989); it is at this level where the impacts of development—both positive and negative—are felt most acutely. One exception was a study conducted by Perdue, Long and Allen (1990), which reported that residents who perceived tourism most negatively tended to favor additional restrictions and taxes on the tourism industry.

Local government officials often find themselves in somewhat of a quandary when it comes to planning for tourism development, because conflicts of interest frequently arise over how land will be developed. Molotch (1976) has argued that the future use of land and the competition for its use is the political and economic essence of any locality. In effect, cities act as growth machines that compete with one another to attract capital and thereby increase the return of land, buildings, and related products and services. Thus, communities exist as "aggregates of land-based interests" (1976:310), with each landowner having in mind a certain future use for her or his individual parcel of land and the aggregate of parcels as a whole. The political organization of many communities is often dominated by individuals benefiting either directly from a specific development alternative (property owners, investors, speculators) or indirectly as a result of overall growth (realtors, bankers, owners of industries servicing the direct beneficiaries).

Molotch hypothesized that communities are comprised of a number of smaller (nested) communities, each competing with the others to maximize their particular vision of land-use potential. For example, hotel operators on the west side of a city compete with those on the east over where to build a convention center. Similarly, pro-growth and anti-growth constituencies fight over whether development is appropriate and where it should occur. Although the cohesiveness of these groups vary depending on the issues at hand, coalitions of a sufficiently enduring quality "constitute identifiable, ongoing communities" (Molotch 1976:311). Furthermore, these groups may or may not exist as formal entities with members knowing others who share similar views.

An individual's identification with a particular group's view usually occurs in reaction to policy and land-use decisions made by local officials; these decisions inevitably affect the entire citizenry. Consequently, residents are forced to take some kind of a position on development. Residents who share perceptions may be considered part of the same nested community, whereas residents with competing views
of development belong to different nested communities. Membership does not necessarily have to be formally stated; rather, membership in this context refers only to those individuals whose reactions to decisions lead to similar perceptions of outcomes. For example, Canan and Hennessy (1989) built on Molotch's growth machine hypothesis in a case study of tourism development on the Hawaiian island of Moloka'i. They reported substantial differences in community identification among residents differentially grouped on the basis of attitudes toward tourism development.

In a somewhat different approach with a Florida sample ($N = 415$), Davis, Allen and Cosenza (1988) identified five homogeneous clusters based on residents' attitudes, interests, and opinions toward tourism. The five groups differed on their degree of negativity towards tourism and were identified (from most negative to most positive, respectively) as “haters” (16%), “cautious romantics” (21%), “in-betweeners” (18%); “love 'em for a reason” (26%), and “lovers” (20%). The authors reported that the groups differed on native-born status and knowledge of tourism's economic impact on the state. Regarding the former, the highest percentage (40%) of native-born residents was found in the “haters” cluster, while the smallest portion (16%) was included in the “lovers” cluster. In contrast, “lovers” scored highest on knowledge of tourism's impacts and “haters” scored lowest. Davis, Allen and Cosenza (1988) suggested a number of public policy strategies designed to internally market the benefits of tourism to each group. For example, a general education program communicating the positive aspects of development might be aimed at “haters,” whereas appeals designed to reaffirm tourism's benefits might be directed toward “cautious romantics” and “in-betweeners.”

Paradoxically, while often promoting development, local government is also responsible for regulating growth. Government decisions influence both the local “business climate” (e.g., taxes, job training, law enforcement), and the cost of overhead expenses faced by companies entering a locality (e.g., pollution abatement, zoning regulations, licensing) (Molotch 1976). Perdue, Long and Allen (1990) recommended that research is needed on the relationship between residents' perceived impacts of tourism and their attitudes toward local government’s involvement with tourism development. No research was found that focused on this issue from the perspective of naturally occurring subgroups of residents with similar perceptions of tourism's impacts coexisting in the community.

In addition, the majority of studies on residents' perceptions of tourism development have drawn samples from rural (Allen, Long, Perdue and Kieselbach 1988; Cooke 1982; Long, Perdue, and Allen 1990; Madrigal 1993; Perdue, Long, and Allen 1987, 1990), regional (Milman and Pizam 1988), or state-wide populations (Davis, Allen and Cosenza 1988; Liu and Var 1986). Few studies have examined samples drawn from populations outside of the United States (Belisle and Hoy 1980; Brougham and Butler 1981; Murphy 1981; Schluter and Var 1988; Sheldon and Var 1984). Furthermore, no host resident perception studies were identified that analyzed data collected from samples drawn from two different countries.
The current study seeks to build on Molotch's (1976, 1979) growth machine hypothesis as it relates to nested communities existing within the larger community. Specifically, the initial objective was to identify mutually exclusive segments or nested communities comprising residents from two different types of cities (one rural, one urban) in two different countries grouped on the basis of their perceptions of selected positive and negative aspects of tourism development in their respective communities. Next, after controlling for individual differences in economic reliance on the tourism industry and years of residence in the community, comparisons were made among nested community segments and across city of residence regarding various potential tourism policy decisions under the auspices of the local municipal government. Consistent with Molotch's (1976) work, it was hypothesized that differences in government's perceived role in tourism development would be greater across clusters than between cities of residence.

STUDY METHODS

Two cities, each from a different country (United States and United Kingdom) and each exhibiting extensive tourism development, yet having different histories of development were selected for analysis. Sedona was randomly selected from a list of rural cities in Arizona (USA) identified as having extensive tourism development on a number of tourism criteria proposed by Butler (1980; see also Madrigal 1993). Sedona is a city of 7,720 residents located in central Arizona. Its main tourism lures include natural attractions and an active artisan community. Over three million tourists visit Sedona annually and tourism has evolved into the city's major industry (Arizona Department of Commerce 1992; Arizona Office of Tourism 1991). The city of York in England (UK), on the other hand, is an urban area with a population of approximately 100,000 residents. Tourism in York can be traced back to Tudor times (1485-1603). York features a number of historical attractions that draw approximately three million visitors a year (Marketing and Communications Group 1989).

A randomly selected sample of 428 residents of Sedona (73% return rate) participated in the study. Nearly 61% of the Sedona sample was male, with an annual household income of slightly over $40,000. The median age of the sample was 60 years and the overwhelming majority (99%) of the respondents were not born in Sedona. Three hundred fifteen usable questionnaires were returned from a randomly selected sample of York residents (51% return rate). The majority of the York sample was female (53%) and most respondents were born in York (54%). The mean age of the York sample was 45 years, and the mean income was approximately £14,000 (or $26,548).

Identical survey instruments were used in Sedona and York with items being drawn from past research (Perdue, Long and Allen 1987, 1990). Independent variables in the current study were derived from eight items inquiring about residents' perceptions of positive and negative impacts of tourism development in their respective communities. Four dependent variables were included in the study: willingness to support additional taxes for tourism development (Taxes); importance
of long-term community planning for tourism (Planning); perceptions of local government’s role in regulating tourism development (Regulating); and the extent to which the city should become more of a tourist destination in the future (Future). More specifically, single-item measures were used to assess residents’ support for additional taxes and importance of planning: “I would support additional tax levies for tourism development”; and “long-term planning is important to control the negative impacts of tourism development.” Two items were used to measure residents’ attitudes of government’s role in regulating development: “Local government should control tourism development in Sedona”; and “local government should restrict tourism development.” Likewise, two items were used to measure future tourism development: “I believe that tourism should play a vital role in the future of (name of city)”; and “(name of city) should become more of a tourism destination in the future.” Scores on each of the two-item scales were summed and divided by two in order to maintain a consistent metric with the single-item measures. All items were measured using a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). In addition, demographic data were collected.

Two covariates were included in this study. The first, personal economic reliance on the tourism industry, was a single-item measure assessed on a 5-point Likert scale ranging from not at all important (1) to very important (5). This measure has consistently been shown to affect residents’ perceived impacts of tourism on their community. The second covariate was years of residence in the community. Again, this variable has been shown to be an important individual variable affecting perceptions. Years of residence was included rather than native-born status because the latter was extremely skewed in the Sedona sample.

STUDY FINDINGS

Table 1 features the unadjusted means, standard deviations, and t-test results comparing city of residence on each of the dependent variables and covariates. Residents from both cities agreed with and rated the need for government planning as being most important, although Sedonans felt more strongly about it than did Yorkers. In contrast, no differences existed between the two cities on the lowest rated item. Both groups of residents concurred that taxes should not be increased in order to finance further development. Similarly, no differences existed between them regarding future tourism development; in fact, residents from both cities were neutral on the topic. Respondents were also neutral on the need for local government regulating tourism development, although Yorkers were slightly more in favor than were Sedonans. Regarding the covariates, Sedonans were slightly more personally dependent economically on the tourism industry, while Yorkers had resided in their community over three times as long as Sedonans.

Past research (Long, Perdue and Allen 1990; Madrigal 1993; Perdue, Long and Allen 1990) has indicated that the eight items measuring residents’ perceptions of tourism impacts may be better represented
by two underlying dimensions: positive and negative aspects. Therefore, a separate principal components factor analysis in which number of factors was not specified was performed for each city. The results indicated that the pattern of loadings across two factors was identical for both cities. In order to examine the factor structure across cities more closely, a confirmatory factor analysis was conducted. Data from the York sample were submitted to the two factor solution yielded from the Sedona sample. The results indicated no differences existed between the two samples ($\chi^2(19) = 21.3, p = .321$). Thus, for purposes of clarity in presentation, the two samples were subsequently combined and subjected to another principal components factor analysis. The results of this analysis for the combined sample and the scale items used are shown in Table 2. The two factor solution accounted for nearly 58% of the total variance. The four items loading on the positive aspects factor had a Cronbach's alpha of .78, and the four items representing negative aspects had a reliability of .70. Both reliability coefficients exceeded the minimum suggested by Nunnally for exploratory research (1978).

A cluster analysis of factor scores was conducted in order to group residents with similar perceptions of tourism impacts. A clustering algorithm based on nearest centroid sorting (Anderberg 1973) was used to select a four cluster solution. This solution was specified because it represented all possible combinations of the two factors (i.e., high on positive aspects, high on negative aspects; high on positive aspects, low on negative aspects; etc.). One of the clusters was extremely small (only two respondents) and consequently eliminated from further analysis. The factor score means for the three remaining clusters are shown in Table 3. These clusters represent nested communities in that each is comprised of residents with similar views about how tourism impacts their respective communities.

In order to more clearly delineate the clusters, a direct discriminant function analysis was conducted in which the eight tourism impact perception variables and the two covariates were entered as indepen-
### Table 2. Principal Components Factor Analysis with Varimax Rotation of Perception Items (N = 687)

<table>
<thead>
<tr>
<th>Item</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Communality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing the number of tourists improves the local economy</td>
<td>.83</td>
<td>.03</td>
<td>.69</td>
</tr>
<tr>
<td>The benefits of tourism outweigh its negative consequences</td>
<td>.77</td>
<td>-.29</td>
<td>.68</td>
</tr>
<tr>
<td>Tourism development provides good jobs for local residents</td>
<td>.76</td>
<td>-.17</td>
<td>.61</td>
</tr>
<tr>
<td>Tourism development increases the number of recreational opportunities for local residents</td>
<td>.67</td>
<td>-.26</td>
<td>.51</td>
</tr>
<tr>
<td>Tourism development increases the in-city traffic problems</td>
<td>-.02</td>
<td>.75</td>
<td>.56</td>
</tr>
<tr>
<td>Tourism leads to more litter in our streets</td>
<td>-.11</td>
<td>.73</td>
<td>.55</td>
</tr>
<tr>
<td>Tourism increases the amount of in-city crime</td>
<td>-.28</td>
<td>.70</td>
<td>.57</td>
</tr>
<tr>
<td>Tourism development has a negative impact on the physical environment</td>
<td>-.24</td>
<td>.63</td>
<td>.45</td>
</tr>
</tbody>
</table>

Eigenvalue 3.27
% Variance 40.90
Cum % 57.70
Alpha .78

<table>
<thead>
<tr>
<th>Labels</th>
<th>Positive Aspects</th>
<th>Negative Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol</td>
<td>.78</td>
<td>.70</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cluster Analysis of Perceptions Factor Scores (N = 687)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceptions Factor</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>Positive Aspects</td>
</tr>
<tr>
<td>Negative Aspects</td>
</tr>
</tbody>
</table>

The results of this analysis, shown in Table 4, assist in identifying which particular variables significantly discriminate the three clusters. As might be expected, given that the clusters were formed on the basis of factor scores derived from the eight variables, the results yielded two highly significant discriminant functions with a combined Wilks' lambda = .19, $\chi^2(20) = 1141.62, p < .001$. After removal of the first function, there remained a highly significant association between the predictors and criterion, Wilks' lambda = .52, $\chi^2(9) = 445.98, p < .001$. The correlations between clusters and predictors on the first function was $r_c = .80$ and $r_c = .69$ for the second. The first function maximally separated the second and third clusters, whereas the second function differentiated the first and third clusters. Results of the classi-
Table 4. Results of Discriminant Function Analysis: Nested Community Clusters and Tourism Perception Variables (N = 687)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standardized Discriminant Coefficients</th>
<th>Cluster Means (SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Function 1</td>
<td>Function 2</td>
</tr>
<tr>
<td>Increasing the number of tourists improves the local economy</td>
<td>.41</td>
<td>.10</td>
</tr>
<tr>
<td>The benefits of tourism outweigh its negative consequences</td>
<td>.41</td>
<td>.24</td>
</tr>
<tr>
<td>Tourism development provides good jobs for local residents</td>
<td>.54</td>
<td>.13</td>
</tr>
<tr>
<td>Tourism development increases the number of recreational opportunities for local residents</td>
<td>.26</td>
<td>.17</td>
</tr>
<tr>
<td>Tourism development increases the in-city traffic problems</td>
<td>.02</td>
<td>.71</td>
</tr>
<tr>
<td>Tourism leads to more litter in our streets</td>
<td>.06</td>
<td>.58</td>
</tr>
<tr>
<td>Tourism increases the amount of in-city crime</td>
<td>-.05</td>
<td>.16</td>
</tr>
<tr>
<td>Tourism development has a negative impact on the physical environment</td>
<td>-.04</td>
<td>.26</td>
</tr>
<tr>
<td>Economic reliance</td>
<td>-.01</td>
<td>-.09</td>
</tr>
<tr>
<td>Years of residence</td>
<td>-.02</td>
<td>.03</td>
</tr>
</tbody>
</table>

Group Centroids:
- Cluster 1: .84 Function 1, -.04 Function 2
- Cluster 2: 1.96 Function 1, -2.34 Function 2
- Cluster 3: 1.17 Function 1, -2.34 Function 2
fication procedure indicated that 93.6% of the cases were correctly classified.

Of the eight perception items and two covariates, five had standardized discriminant coefficient loadings exceeding the .30 minimum recommended for interpretation (Tabachnick and Fidell 1989). As shown in Table 4, three variables maximally differentiated the second and third clusters: a belief that tourism development resulted in good jobs ($M = 2.27, M = 4.03$, respectively); a belief that tourism improved the local economy ($M = 2.94, M = 4.23$); and a belief that the overall benefits of tourism outweighed the negatives associated with development ($M = 2.22, M = 4.13$). Two predictors separated the first and third clusters: a belief that tourism development increased traffic ($M = 4.52, M = 3.11$, respectively); and a belief that tourism increased the amount of litter in the community ($M = 4.12, M = 2.59$, respectively).

The data shown in Tables 3 and 4 make it possible to compare and more accurately label clusters on the basis of residents’ positive and negative perceptions of tourism development. A brief description of each cluster follows:

**Realists:** The first cluster included the majority of respondents ($n = 382, 56\%$ of the sample). This cluster had positive mean factor scores on both the positive and negative aspects of tourism development. In other words, respondents in this cluster recognized and agreed with both the positive and negative consequences associated with tourism development. This group was quite different from the third cluster (below) in that it appeared to have a more realistic view of how tourism affects their community. Although recognizing that tourism helps the local economy and provides jobs to residents, members in this group also believed that tourism led to increased traffic and litter.

**Haters:** Individuals in this group comprised $31\%$ ($n = 216$) of the total sample. Members strongly disagreed with the positive aspects associated with tourism development and agreed with the negative aspects. This group most specifically differed from the next group. They believed that not only did the negative aspects of tourism outweigh the benefits, they also believed that tourism did not provide good jobs and that it contributed to increased traffic congestion and litter.

**Lovers:** The smallest usable group ($n = 89, 13\%$) included residents who agreed with the positive aspects dimension and strongly disagreed with the negative aspects of development. This group most strongly believed that the benefits of tourism outweighed the negatives and that tourism provided good jobs to local residents.

A chi-square analysis was conducted to examine the distribution of residents from each city across the three clusters. The results indicated that cluster membership varied significantly by city of residence, $\chi^2(2) = 9.98, p < .01$. Specifically, there were $17\%$ more Yorkers than expected in the “haters” cluster and $9\%$ more Sedonans in the “realists” cluster. The findings are interesting in light of the proportion of native-born residents in each sample. A number of researchers (Canan and Hennessy 1989; Davis, Allen and Cosenza 1988; Um and Crompton 1987) have reported that native-born residents tend to be most opposed
to tourism development. It is possible that this variable influenced residents' perceptions given the very high percentage (99%) of native-born Yorkers in the sample. Likewise, the very low percentage (1%) of native-born Sedonans may have contributed to a more balanced view of the advantages and disadvantages of tourism development in Sedona.

A 2 × 3 multivariate analysis of covariance (MANCOVA) was selected to determine the extent to which city of residence and the nested community clusters accounted for differences in residents' attitudes toward the role of government in tourism development. The dependent variables were Planning, Regulating, Taxes, and Future. Based on their contribution in explaining residents' perceptions in past research, the two covariates included in this analysis were personal economic reliance on the tourism industry and years of residence in the community.

Results of the MANCOVA revealed that the combined set of dependent variables was significantly related to the combined covariates, Wilks' = .87, F(8, 1324) = 12.22, p < .01. This relationship explained a moderate 13% of the variance. In terms of the power of the covariates to adjust dependent variables, the results shown in Table 5 indicate that the association was greatest for Future, followed by Taxes, Regulating, and Planning. To determine the effect of the covariates on each dependent variable, multiple regressions were conducted in which the covariates acted as predictors of each dependent variable. As shown in Table 5, the first regression revealed that economic reliance and years of residence provided significant adjustment for Future. Thus, the more reliant residents were on tourism, the more inclined they were to support future tourism development. In contrast, greater years of residence was negatively associated with future development. A similar pattern of association was found for Taxes. Whereas those who were more economically dependent on the industry were more willing to pay additional taxes for development, those residing in the city longer were less likely to support new taxes. A negative association was found between economic reliance and Regulating. For Planning, only a modest negative association existed for years of residence, indicating that residents who had resided longer in the city saw less need for long-term tourism planning.

Results of the MANCOVA also indicated that the combined set of

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Economic Reliance</th>
<th>Years of Residence</th>
<th>Univariate F (df)</th>
<th>p-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning</td>
<td>.05</td>
<td>−.09*</td>
<td>3.58 (2, 665)</td>
<td>.03</td>
</tr>
<tr>
<td>Taxes</td>
<td>.22*</td>
<td>−.08*</td>
<td>19.85 (2, 665)</td>
<td>.00</td>
</tr>
<tr>
<td>Regulating</td>
<td>−.19*</td>
<td>.02</td>
<td>12.32 (2, 665)</td>
<td>.00</td>
</tr>
<tr>
<td>Future</td>
<td>.30*</td>
<td>−.10*</td>
<td>37.05 (2, 665)</td>
<td>.00</td>
</tr>
</tbody>
</table>

*a p < .05.
*b p < .01.
'p < .001.
dependent variables were significantly related to city of residence, Wilks' = .98, $F(4,662) = 3.33, p < .01$, and to the nested community clusters, Wilks' = .69, $F(8,1324) = 33.37, p < .001$. However, the results revealed no significant interaction between city of residence and the nested community clusters for the dependent variables after adjusting for covariates, Wilks' = .98, $F(8,1324) = 1.78$. As hypothesized, the association between the dependent variables and the nested community clusters was much greater than the association between the dependent variables and city of residence (31% explained variance compared to only 2%, respectively).

Table 6 features the adjusted means for dependent variables and the results of the univariate tests for city of residence, nested community clusters, and the interaction between the two. In spite of overall statistical significance, the results indicated that no differences were found on any of the dependent variables by city of residence after adjusting for covariates. In contrast, statistically significant differences were found for each dependent variable across the three nested community clusters. By far, the greatest difference between clusters was found for Future, followed respectively by Regulating, Taxes, and Planning. Table 6 also displays the results of the post hoc comparisons across clusters using the Bryant-Paulson (1976) simultaneous test procedure.

Comparing the adjusted means for community clusters (Table 6), members in the “lovers” cluster were most in favor of future tourism development in their community and in paying additional taxes to support further tourism development. Regarding the latter, however, it should be noted that the adjusted means for all three groups indicated an unwillingness to pay additional taxes for tourism development. There was also no significant difference between “lovers” and “realists” in their agreement that long-term planning by local government would help reduce tourism’s negative impacts. In fact, all three clusters tended to agree that long-term planning was important. The mean score for the “haters” cluster was the lowest for every dependent variable except Regulating. “Haters” believed that local government should assume greater responsibility in regulating tourism development: “lovers,” on the other hand, disagreed with this position. In general, mean scores for the “realists” cluster fell between the other two groups.

CONCLUSIONS

Perdue, Long and Allen (1990) recommended that it would be valuable for research to examine the relationship between residents' perceived impacts of tourism on their community and attitudes toward local government's involvement using a randomly selected sample after controlling for the historical evolution of tourism in the community and level of tourism currently existing. The current study has attempted to address each of these issues. First, data for this study were collected from two random samples in two different types of cities: one urban (York, UK), the other rural (Sedona, USA). This is the first study to investigate residents' perceived impacts of tourism as they relate to attitudes about government's role in development from a cross-cultural perspective. Second, the evolution of tourism develop-
Table 6. Tests of City of Residence, Community Clusters, and Interaction with Adjusted Means ($N = 673$)

<table>
<thead>
<tr>
<th>Effect</th>
<th>Dependent Variable</th>
<th>Univariate $F$ (df)</th>
<th>$p$-Value</th>
<th>Adjusted Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sedona</td>
</tr>
<tr>
<td>City of Residence</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning</td>
<td>3.04 (1,665)</td>
<td>.08</td>
<td>3.68</td>
<td>3.51</td>
</tr>
<tr>
<td>Taxes</td>
<td>.36 (1,665)</td>
<td>.55</td>
<td>2.16</td>
<td>2.22</td>
</tr>
<tr>
<td>Regulating</td>
<td>2.69 (1,665)</td>
<td>.10</td>
<td>3.00</td>
<td>3.15</td>
</tr>
<tr>
<td>Future</td>
<td>2.34 (1,665)</td>
<td>.13</td>
<td>3.16</td>
<td>3.30</td>
</tr>
<tr>
<td>Community Clusters</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning</td>
<td>13.70 (2,665)</td>
<td>.00</td>
<td>3.74&lt;sup&gt;b&lt;/sup&gt;</td>
<td>(3.33)&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Taxes</td>
<td>22.07 (2,665)</td>
<td>.00</td>
<td>2.25&lt;sup&gt;b&lt;/sup&gt;</td>
<td>(1.77)&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Regulating</td>
<td>63.01 (2,665)</td>
<td>.00</td>
<td>3.09&lt;sup&gt;b&lt;/sup&gt;</td>
<td>3.69&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Future</td>
<td>113.67 (2,665)</td>
<td>.00</td>
<td>3.41&lt;sup&gt;b&lt;/sup&gt;</td>
<td>(2.44)&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>City × Cluster Interaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning</td>
<td>.77 (8,1326)</td>
<td>.47</td>
<td>3.79</td>
<td>3.69</td>
</tr>
<tr>
<td>Taxes</td>
<td>2.54 (8,1326)</td>
<td>.08</td>
<td>2.13</td>
<td>2.38</td>
</tr>
<tr>
<td>Regulating</td>
<td>4.09 (8,1326)</td>
<td>.02</td>
<td>3.06</td>
<td>3.12</td>
</tr>
<tr>
<td>Future</td>
<td>2.77 (8,1326)</td>
<td>.06</td>
<td>3.26</td>
<td>3.56</td>
</tr>
</tbody>
</table>

<sup>a</sup>Figures in bold are high-scoring means relative to other groups; figures in parentheses are low-scoring means relative to other groups.

<sup>b,c,d</sup>For Community Clusters significant group differences ($p < .01$) using Bryant-Paulson test indicated by different superscripts.
ment in each city has been quite different. Whereas York has developed as a destination over a number of centuries, Sedona has experienced rapid tourism development over the past two decades. Third, the level of tourism existing in each community was in effect controlled in this study, because both cities were recognized as having extensive tourism development. Therefore, residents from each city would be more sensitized to the impacts of tourism—both positive and negative—in their community.

The current study built upon the work of Molotch (1976) who argued that cities are conceived as growth machines designed to maximize the interests of a small, powerful elite and that the purpose of local government is to assist in achieving greater growth than competing cities. Thus, conditions affecting the quality of life in the community are a consequence of the social, economic, and political power wielded by the growth machine. Molotch noted that local nested communities or clusters of citizens within the larger community tend to develop in reaction to the decisions made by the growth machine. For example, anti-growth coalitions developed in Santa Barbara, California, in response to decisions made by the local government regarding off-shore oil drilling.

Canan and Hennessy (1989) reported that competition over land use is especially fierce in destinations where local governmental authority often favors a small, elite pro-growth coalition. Adherents of tourism growth argue that development benefits the entire community and enhances “good planning.” However, Canan and Hennessy (1989) argued that tourism development usually benefits only a small proportion of local residents and may actually negatively affect planning decisions. They note that tourism development may, in fact, both adversely affect residents’ quality of life and cost residents money. For example, tourism development may occur at the expense of other, more profitable development alternatives, which provide better salaries and opportunities to local residents.

Consistent with Molotch’s hypothesis, Canan and Hennessy (1989) identified nested community clusters comprised of residents distinguished by their views toward future development. Likewise Davis, Allen and Cosenza (1988) also identified clusters of residents grouped on their attitudes, interests, and opinions of tourism. These nested communities may be formally recognized and residents may take an activist role in reaction to governmental decisions. Nevertheless, citizens do develop perceptions of the tourism industry and do have attitudes related to government’s role in its development as a result of residing in a host community.

Working within the theoretical framework provided by Molotch (1976), the initial objective of this study was to identify nested community clusters of residents across cities. Residents were homogeneously grouped on the basis of their perceptions of the positive and negative impacts of tourism on their community. It was hypothesized that differences in residents’ attitudes about government’s role in tourism development would be greater across nested community clusters than between cities (or, for the matter, countries) of residence.

The results indicate that community clusters of residents with simi-
lar perceptions of the positive and negative aspects of tourism do coex-
exist within and across the two cities. The three groups were identified
as tourism “realists,” “haters,” and “lovers.” As hypothesized, cluster
membership accounted for a far greater percentage of the total vari-
ance in residents’ attitudes toward the role of local government in
tourism development than did city of residence. This finding is note-
worthy because it implies that viewing a citizenry in terms of its various
constituencies, each with a different perspective, is essential for effec-
tive tourism planning. Clearly, one would have expected differences in
attitudes toward government’s role according to positive and negative
perceptions of tourism. However, what was especially interesting here
was that city of residence played such a negligible role in predicting
attitudes, despite the cultural and population differences between the
two cities.

The results are consistent with the associations between resident
perceptions and government involvement found by Perdue, Long and
Allen (1990) in a series of regression analyses. Specifically, the latter
study found that support for governmental restrictions on tourism de-
velopment was positively related to perceived negative impacts and
that support for future tourism development was positively related
to perceived positive impacts. In the current research, “haters” were
significantly more in favor of governmental regulation, whereas “lov-
ers” strongly disagreed that development should be regulated. Also
consistent with the latter study, “lovers” favored future development,
while “haters” were strongly opposed to it.

An interesting aspect of this study was the distribution of residents
across clusters. By far the largest cluster (56% of the sample) was
consumed of “realists” who recognized both the positive and negative
consequences associated with tourism development. Similarly, the
largest cluster of residents discovered by Davis, Allen and Cosenza
(1988) also recognized both the positive and negative aspects of de-
velopment. Therefore, if one were to generalize from these two studies, it
may be that the majority of residents in a city are actually aware of the
benefits and costs associated with tourism development.

A number of implications emerge from this paper. First, these find-
ings have political implications because it is quite conceivable that only
“lovers” and “haters” would feel strongly enough to participate in public
forums related to tourism planning. In contrast, those who appear to
be most well-informed of both the positive and negative aspects of
development, the “realists,” may not feel strongly enough—one way or
the other—to participate. This is unfortunate because it appears from
these data that the “realists” represent the “silent majority” in a commu-
nity and it is this group whose balanced perspective may be of the
greatest benefit to local officials involved in tourism planning.

A second implication of this paper is the need for internal marketing.
Marketing exists when two or more parties engage in a process of
exchange designed to satisfy needs and wants (Kotler 1988). Interest-
ingly, the exchange process has been used as the theoretical framework
for describing host residents’ perceptions of tourism development (Ap
1990, 1992; Perdue, Long and Allen 1990; Madrigal 1993). In effect,
exchange addresses the benefits received by host residents from tour-
ism development (e.g., employment opportunities, improved infrastructure and amenities, etc.) and the price they are willing to pay to receive those benefits (e.g., increased congestion, extending hospitality to tourists, etc.). An extension of this idea is the concept of internal marketing, which refers to an organization's internally focused efforts to heighten the awareness of individuals within the organization about issues and policies relevant to that organization. Typically, a company's employees are considered its primary internal market because they exchange time and energy for monetary remuneration, job satisfaction, and so forth. In order to achieve business success, a company must first please this internal market before addressing the needs of its external markets. Likewise, residents may be thought of as local government's primary internal market because of the exchange relationship existing between these two parties in regard to tourism development.

Successful internal marketing involves using market research as the basis for segmenting a total market into distinct groups. Each distinct segment shares one or more characteristic in common (e.g., needs, wants, attitudes, and demographic characteristics). The results reported here suggest that it is possible to segment a city's residents on the basis of their perceptions of tourism development and that each of these segments has a different attitude about government's role in this process. It is also worth noting that market research data can be used to develop communication strategies designed to deliver unique messages to each segment (Davis, Allen and Cosenza 1988).

An internal marketing strategy should, however, be conducted within a socially conscious framework that is designed to serve the needs of the community, not members of the growth machine. According to Canan and Hennessy (1991), most tourism public relations programs are organized and financed by members of the growth machine and are often designed to modify residents' behavior and attitudes. It makes little sense for a community to develop and promote tourism if residents' lack of support for development manifests itself in negative reactions toward tourists. Rather, the first step in any internal marketing program should be to involve all relevant and interested parties in a participatory planning process aimed at heightening awareness of the consequences of tourism development in the community (Haywood 1988). According to Keogh (1990), an informed citizenry is critically important in making decisions related to tourism development. Interestingly, he reported that residents who were more familiar with the positive and negative aspects of development proposals tended to view tourism development in their community more favorably than those who were less informed.

Rather than merely trying to convince residents that tourism is good for them, local officials should attempt to address the needs of the various constituencies existing in their community. This suggests the need for developing an internal marketing process that involves segmenting residents into distinct groups on the basis of their perceptions of tourism development. The results of this study clearly indicate that these segments do exist and that each group has different expectations regarding government's role in development. Furthermore, local offi-
cials should attempt to dismantle the local growth machine in favor of a participatory planning process that involves local residents. Molotch notes that "As the growth machine is destroyed in many places, increasingly it will be the business interests who will be forced to make do with local policies, rather than the local populations having to bow to business wishes. . . . City government [will come] to resemble an agency which asks what it can do for its people rather than what it can do to attract more people (1976:328).

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