

HUOM! Tämä on alkuperäisen artikkelin rinnakkaistallenne. Rinnakkaistallenne saattaa erota alkuperäisestä sivutukseltaan ja painoasultaan.

Käytä viittauksessa alkuperäistä lähdettä:

Tuomi, A. & Ascenção, M. P. 2023. Deliberative governance for tourism platforms. Annals of Tourism Research, 103, 103647. <a href="https://doi.org/10.1016/j.annals.2023.103647">https://doi.org/10.1016/j.annals.2023.103647</a>.

PLEASE NOTE! This in an electronic self-archived version of the original article. This reprint may differ from the original in pagination and typographic detail.

Please cite the original version:

Tuomi, A. & Ascenção, M. P. 2023. Deliberative governance for tourism platforms. Annals of Tourism Research, 103, 103647. https://doi.org/10.1016/j.annals.2023.103647.



© 2023 The authors. Licensed under the terms and conditions of the Creative Commons Attribution (CC BY) license (https://creativecommons.org/licenses/by/4.0/).



Contents lists available at ScienceDirect

# Annals of Tourism Research

journal homepage: https://www.journals.elsevier.com/annals-oftourism-research



## Research Note

# Deliberative governance for tourism platforms



Aarni Tuomi <sup>a,b,\*</sup>, Mário Passos Ascenção <sup>c</sup>

- <sup>a</sup> Haaga-Helia University of Applied Sciences, Helsinki, Finland
- <sup>b</sup> University of Surrey, Guildford, UK
- <sup>c</sup> Haaga-Helia University of Applied Sciences, Helsinki, Finland

#### ARTICLE INFO

Article history:
Received 26 April 2023
Received in revised form 4 August 2023
Accepted 10 August 2023
Available online xxxx

Handling Editor: Pietro Beritelli, Dr

Keywords:
Platformization
Topic:
Platform economy
Deliberative governance
Citizens' assembly

Tourism stakeholders increasingly interact with digital platforms to book trips (e.g. Expedia), accommodation (e.g. Airbnb), transportation (e.g. Uber), or order food (e.g. JustEat) (Gössling & Hall, 2019). Platforms have become a major part of tourism, leading to the 'platformization' of tourism (Capineri & Romano, 2021). Nowadays, the revenues of the largest platforms outperform several countries' GDP (Lishchuk, 2021). Platforms also increasingly provide tourism-related work opportunities (Shang, Fan, & Buhalis, 2023).

According to Lehdonvirta (2022), the argument of why platforms are different to traditional businesses boils down to size, reach and technological opacity. Many platforms have a global reach, connecting millions of users. Platforms also benefit from network effects, whereby their value increases with more users – a self-reinforcing effect that can lead to monopolies (Gössling & Hall, 2019). These winner-take-all markets are reinforced by lock-in effects, whereby once a significant number of users has been reached, switching costs of moving to an alternative platform increase. Critically, platforms act as intermediaries between users, providing the infrastructure and tools for interaction (Roelofsen & Minca, 2021). This role can create complexities in terms of transparency, responsibilities and liabilities, as different jurisdictions have different interpretations of how the platform should behave (McIntyre, Srinivasan, Afuah, Gawer, & Kretschmer, 2021). In the context of tourism, this might mean e.g. how disputes between hosts and guests are resolved on peer-to-peer accommodation platforms, or who owns data generated on food delivery platforms (Ashton, Tuomi, & Backman, 2022).

The topic of how tourism platforms should be governed has in recent years attracted academic and political interest, whereby regulators have started to put guardrails around platforms (Davis & Sinha, 2021). Aguilera, Artioli, and Colomb (2021) note the

<sup>\*</sup> Corresponding author at: Haaga-Helia University of Applied Sciences, Helsinki, Finland. E-mail addresses: aarni.tuomi@haaga-helia.fi (A. Tuomi), mariopassos.ascencao@haaga-helia.fi (M.P. Ascenção).

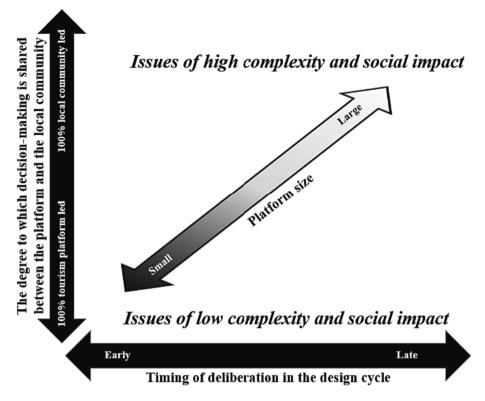


Fig. 1. Conceptual framework: Deliberative Governance for Tourism Platforms.

politicized nature of platform regulation and the difficulty of striking a balance between different stakeholders' viewpoints, particularly due to the global nature of many tourism platforms. Platforms have faced different regulation across different jurisdictions (Bei & Celata, 2023), whereby e.g. New York City's Short-Term Rental Registration Law, lobbied by the accommodation sector, effectively limits Airbnb in New York, while the food delivery company Delivery Hero operates under a different courier model in different parts of Europe due to differences in labor law.

The governance of platforms often follows a similar pattern: platform users start to unionize, either informally or formally. Through activist movements, strikes and collective bargaining they manage to influence decision-makers to propose regulation. This is often fiercely lobbied against by platform companies. For example when food delivery couriers called for better working conditions in California, a collective led by Uber paid \$200 million to block a tighter regulatory environment (Marshall, 2020). On the other hand, following activist movement that led to a referendum, Paris decided to ban e-scooter companies from the city while other major European capitals support e-scooters to reduce car usage (Reid, 2023).

Despite its complexity, effective platform governance could ensure a safe and trustworthy environment for users, promoting responsible behavior and mitigating risks associated with harmful interaction. Clear and enforceable policies can safeguard user rights, including privacy and dispute resolution mechanisms. Governance can also ensure fair competition among participants and prevent monopolies (Gössling & Hall, 2019). However, balancing the need for personalization, innovation, and compliance with e.g. data protection regulations is a significant challenge. One example of this is algorithmic control, whereby platforms increasingly rely on algorithms to e.g. match or rate users (Tuomi, Jianu, Roelofsen, & Ascenção, 2023). Platforms must therefore address potential biases in automated systems and ensure transparency and accountability.

Drawing inspiration from Power-Dependence Theory (cf. Ford, Wang, & Vestal, 2012), we note that a key question of interest in effective platform governance is power, i.e. the kinds of checks and balances the platform or regulators provide for mitigating power asymmetries (Rosenblat & Stark, 2016). Different types of tourism-related platforms adopt different approaches to distributing power. For example food delivery platform Wolt connects end-users with restaurants and delivery 'partners'. However, couriers have little say as to how their work is organized by the platform, and restaurants have no access to customer data. In contrast, Roelofsen and Minca (2021) highlight the power Airbnb hosts had during COVID-19 to influence the direction to which the platform was developed.

Overall, there have been calls for more dialogue between tourism platforms and the various stakeholders involved in or impacted by them (Nieuwland & Van Melik, 2020). Borrowing ideas from other disciplines, the concepts of deliberative governance (Dryzek, 2000), participatory design (Muller & Kuhn, 1993) and citizen participation (Arnstein, 1969) have recently emerged as potential ways forward (OECD, 2020). For example Arnstein (1969) has put forward the Ladder of Citizen Participation which offers a normative model of participation in decision-making processes. Even though Arnstein's ladder has been criticized for being simplistic and for failing to account for the complexities of real-world decision-making processes, it remains a useful tool for

understanding the different levels of citizen participation. Citizens' assemblies, a form of citizen participation stemming from Arnstein's ladder, have been highlighted as a particularly potential way for increasing dialogue.

Citizens' assemblies involve participation through partnership or delegated power, depending on the design and context of the assembly as well as the complexity and social impact of the deliberated issue. Partnership implies that the impacted stakeholders and the authorities share decision-making power through negotiation. Delegated power implies that the impacted stakeholders have the majority of decision-making seats or full managerial power over a certain issue. Citizens' assemblies can be seen as examples of partnership when they are convened by the government or other institutions that have some authority (e.g. a DMO), and when their recommendations are considered seriously and implemented when possible. Citizens' assemblies can be seen as examples of delegated power when they are initiated by the impacted stakeholders themselves or by independent advocate groups, and when their recommendations are binding or have a direct impact on the policy outcome. In both cases, citizens' assemblies provide an opportunity for the impacted stakeholders to participate in democratic deliberation and decision-making, rather than being passive recipients or token consultees (Arnstein, 1969).

In general, citizens' assemblies involve a group of randomly selected and demographically representative participants who are tasked with learning about, discussing and making recommendations about an issue. Recently, citizen's assemblies have been successfully used in the local governance of e.g. Paris (OECD, 2020). In the context of tourism, we envision citizens' assemblies as a way to engage diverse perspectives in complex platform governance related issues, e.g. the design features of platforms or the impact of platforms on local communities. A citizens' assembly can enable deliberation on the ethical, social and economic implications of intended changes to the platform, as well as highlight possible alternatives. A process rooted in the principles of participatory design can foster trust and legitimacy in the platform by ensuring that participants are representative of the affected population and that their views are valued and considered.

To leverage citizens' assemblies for platform governance in tourism, a novel conceptual framework, Deliberative Governance for Tourism Platforms, is developed, drawing on the principles of participatory design, Power-Dependance Theory and the citizens' assembly approach (Fig. 1). The framework illustrates key considerations for deliberative governance across three axes: 1) the degree to which decision-making power is shared between the platform and the local community, 2) the timing of deliberation in the design cycle (from initial concept to production), and 3) the platform's size.

Issues of deliberation could range from high complexity and social impact to low complexity and impact. Examples of high-complexity issues could be e.g. platforms' use of AI, approach to data portability, or the socioeconomic impact of the platform on local community, while examples of low-complexity issues might be dispute resolution, minor updates to existing features on the platform, or changes to user experience. Depending on complexity of the issue, deliberation should include diverse stakeholders, e.g. tourists, local residents, DMOs, businesses and employees, and vary from one round to several rounds of deliberation.

We call tourism researchers to use, refine and expand our conceptual framework, and to also experiment with concepts that are more inductive than those proposed in conventional governance literature. How could deliberation stem from platform users or impacted stakeholders, e.g. through the mediation of DMOs or labor unions? How might this impact the deliberation process and legitimacy of outputs?

Given the platformization of tourism (Capineri & Romano, 2021), the sector presents an important use-case for novel governance practices such as citizens' assemblies. Thus far, tourism platform governance research has mainly looked at individual platforms or types of platforms (Aguilera et al., 2021). We argue that tourism research on governance should move towards a more comprehensive view on platform governance. By putting forward a novel conceptual framework, we hope to spark new approaches for analyzing different forms of platform governance in tourism. To that end, it should be noted that citizens' assemblies are not the only way to involve stakeholders in policy-making processes. There are other alternatives that can suit different contexts, objectives, and challenges, e.g. citizens' juries or digital juries (Fan & Zhang, 2020).

## **CRediT authorship contribution statement**

**Aarni Tuomi:** Conceptualization, Writing – original draft, Writing – review & editing, Funding acquisition, Project administration. **Mário Passos Ascenção:** Writing – original draft, Writing – review & editing.

#### Data availability

No data was used for the research described in the article.

#### **Declaration of competing interest**

The authors declare no conflicts of interest.

#### Acknowledgements

This research has been funded as part of a project called "Algorithmic Management and Professional Growth in Platform Economy", conducted by Haaga-Helia University of Applied Sciences and funded by the Finnish Work Environment Fund, grant number: 210336.

#### Appendix A. Supplementary data

Supplementary data to this article can be found online at https://doi.org/10.1016/j.annals.2023.103647.

#### References

Aguilera, T., Artioli, F., & Colomb, C. (2021). Explaining the diversity of policy responses to platform-mediated short-term rentals in European cities: A comparison of Barcelona, Paris and Milan. Environment and Planning A: Economy and Space, 53(7), 1689–1712.

Arnstein, S. (1969). A ladder of citizen participation. Journal of the American Planning Association, 35(4), 216-224.

Ashton, M., Tuomi, A., & Backman, P. (2022). Ghost production: applying the servuction model to establish a typology and propose a research agenda for on-demand restaurant food delivery. *Journal of Hospitality and Tourism Insights.*. https://doi.org/10.1108/JHTI-04-2022-0134.

Bei, G., & Celata, F. (2023). Challenges and effects of short-term rentals regulation: A counterfactual assessment of European cities. *Annals of Tourism Research*, 101 (103), 605.

Capineri, C., & Romano, A. (2021). The platformization of tourism: from accommodation to experiences. Digital Geography and Society, 2(100), 012.

Davis, G., & Sinha, A. (2021). Varieties of Uberization: How technology and institutions change organization(s) of late capitalism. Organization Theory, 2(1).

Dryzek, J. (2000). Deliberative Democracy and Beyond: Liberals, Critics, Contestations. Oxford: Oxford University Press.

Fan, J., Zhang, A. (2020). Digital juries: A civics-oriented approach to platform governance. Proceedings of the 2020 CHI Conference on Human Factors in Computing Systems, 1–14.

Ford, R. C., Wang, Y., & Vestal, A. (2012). Power asymmetries in tourism distribution networks. Annals of Tourism Research, 39(2), 755-779.

Gössling, S., & Hall, C. M. (2019). Sharing versus collaborative economy: how to align ICT developments and the SDGs in tourism? *Journal of Sustainable Tourism*, 27(1), 74–96.

Lehdonvirta, V. (2022). Cloud Empires: How Digital Platforms Are Overtaking the State and How We Can Regain Control. Cambridge: MIT Press.

Lishchuk, R. (2021). How large would tech companies be if they were countries? Available at: https://mackeeper.com/blog/tech-giants-as-countries/

Marshall, A. (2020). With \$200 million. Available: Uber and Lyft write their own labor law at: https://www.wired.com/story/200-million-uber-lyft-write-own-labor-law/.

McIntyre, D., Srinivasan, A., Afuah, A., Gawer, A., & Kretschmer, T. (2021). Multisided platforms as new organizational forms. *Academy of Management Perspectives*, 35 (4).

Muller, M. J., & Kuhn, S. (1993). Participatory design. Communications of the ACM, 36(6), 24-28.

Nieuwland, S., & Van Melik, R. (2020). Regulating Airbnb: how cities deal with perceived negative externalities of short-term rentals. *Current Issues in Tourism*, 23(7), 811–825.

OECD (2020), Innovative Citizen Participation and New Democratic Institutions: Catching the Deliberative Wave, Paris: OECD Publishing,

Reid, J. (2023). Paris set to ban rented e-scooters after an overwhelming 90 % vote for their removal. Available at: https://www.cnbc.com/2023/04/03/paris-bans-rented-e-scooters-after-an-overwhelming-90 %-vote-for-their-removal.html.

Roelofsen, M., & Minca, C. (2021). Sanitised homes and healthy bodies: reflections on Airbnb's response to the pandemic. Oikonomics, 15.

Rosenblat, A., & Stark, L. (2016). Algorithmic labor and information asymmetries: A case study of Uber's drivers. *International Journal of Communication*, 10, 3758–3784. Shang, K., Fan, D., & Buhalis, D. (2023). Tour guides' self-efficacy and resilience capability building through sharing economy platforms. *International Journal of Contemporary Hospitality Management*, 35(4), 1562–1583.

Tuomi, A., Jianu, B., Roelofsen, M., & Ascenção, M. P. (2023). Riding Against the Algorithm: Algorithmic Management in On-Demand Food Delivery. In B. Ferrer-Rosell, D. Massimo, & K. Berezina (Eds.), Information and Communication Technologies in Tourism 2023. ENTER 2023. Springer Proceedings in Business and Economics. Cham: Springer.

Dr. Aarni Tuomi is a Senior Lecturer at Haaga-Helia University of Applied Sciences. His research explores the intersection of emerging technology and service business. Dr. Mário Ascenção is a Principal Lecturer at Haaga-Helia University of Applied Sciences. His research focuses on the experience economy.