

Research on Diversified Portfolios of Supply Models of Leisure Tourism Public Service

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Abstract

Leisure tourism public service is a new element of Chinese government public service. In traditional government public service, the government-centered monopolistic public service model leads to not only low quality but also low efficiency. Diversified portfolios of public service supply models, which take the government as a leading player and the market and social voluntary organizations as supplementary roles, are ideal models for public service in the future. Diversified public service supply models are one of the directions for Chinese leisure tourism public service development. All models need to be continuously optimized corresponding to the real practices.

Key words: Public service; Diversified supply; Leisure tourism; Model optimization

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INTRODUCTION

The maturity of the tourism public service system of a country or a region is one of the important marks of its tourism development (He, 2011). Since the introduction of reform and opening up, China's tourism industry has achieved remarkable progress. However, currently, the development of the tourism public service system in our country has always been lagging behind the tourism industry. *Report on China's Public Service Development*

2006 points out: At present, the overall level of the public service provided by the Chinese government is low, featured by unbalanced development, inefficiency, and convergent standards, and the overall performance of the basic public services remains at a low level (Qiao & Sui, 2007). For a long time, the government has been the major supplier and the head for tourism public service, for-profit organizations and non-profit organizations have long been underdeveloped in terms of public service supply. But the reality has shown that the government is facing many challenges when delivering public tourism service, namely, low service level, single supply model, weak tourism public service awareness and consciousness, and inefficient resources allocation. All these lead to the failure of meeting people's increasing demand for diversified tourism public service (Li, Huang, & Qian, 2012).

In traditional social system establishments, public service is generally monopolized by government departments. As the private sector is undeveloped and immature in the field of human resources, financial resources and organization, it is confined as a supplementary role. Some scholars believe that public services only refer to those in which the government is the main body and major supplier. Duguit (1912), a leading French scholar of administrative law, defines public service as follows: Any activity inseparable from the realization and promotion of social solidarity and must be regulated and controlled by the government, is a public service, provided that it has the characteristic that it cannot be guaranteed unless it is intervened by the government (Xu, 2013). Chinese scholar Tang and Li (2005) defines public service as the general term of a service behavior that the government provides public service to meet the needs of public society.

Currently, more and more scholars hold that the main body of supply for public service is diversified. Ma (2005) points out that public service refers to the responsibilities

shouldered by governmental and non-governmental public organizations as well as the relevant industrial and commercial enterprises authorized by the administrative law in the process the production and supply of pure public goods, mixed public goods and special personal goods. Public service supply is a dynamic process in which the government and other social sectors allocate the public service products to the beneficiaries to meet the common demands of the society through a certain mechanism (Li, 2010). Yu (2005) believes that we should draw lessons from Western developed countries in the area of public service supply models to establish diversified portfolios of supply models in China. Li (2010) argues that there is a huge contradiction between the overall level of public service development in China and the growing public demand for services and this contradiction is threatening the sustainable development of economy and harmonious society (Chen, 2011).

Leisure tourism public service is a subsystem of public service. The traditional leisure tourism public service supply model, which has long been under the influence of government-led public service supply ideas, is mainly dominated by the government. However, reality shows that government-led leisure tourism public service supply alone cannot meet the requirement of current tourism development. Li (2010) discusses the necessity of perfecting tourism public service and puts forward the basic task of perfecting tourism public service system. Li, Huang, and Qian (2012) and other scholars propose to establish diversified portfolios of supply models of tourism public service during the transition period and stress that we should handle the relationship between government, society and market (Li, Huang, & Li, 2010). Li (2010) argues that the efficiency of tourism public services supply could be improved only through the diversification of the main supplier of tourism public service. Zhang, Zhang, Zhu, and Chen (2010) comment that we should learn from the developed countries and regions for their excellent practices and experience on tourism public service. Against the macro backdrop of building a service-oriented government, the reform of diversified public service supply models of China's leisure tourism will embrace great development and application.

1. BUILDING DIVERSIFIED PORTFOLIOS OF SUPPLY MODELS OF LEISURE TOURISM PUBLIC SERVICE

1.1 Supply Models of Leisure Tourism Public Service

1.1.1 Government-oriented Supply Models

Traditionally, influenced by the mentality that public service supply should be monopolized by government, the government naturally turns into the single supplier for

leisure tourism public service. Leisure tourism service, as a subsystem of public services, traditionally is provided by the government. Although socialization and privatization of public utilities has become a trend nowadays, due to the government's advantageous position in financial, and material resources, and scale, as well as non-exclusive and non-competitive characteristics of public goods, it is hard to avoid "free-rider" phenomenon, making private enterprises reluctant to supply even if they have the supply capacity (Li, 2010). Therefore, the government is always playing the role of leisure tourism public service provider, providing the society with low-cost or free public services. In traditional government supply model, the government, with the unique right to control and allocate public resources, is a public service provider and producer, directly providing leisure travel public services to consumers.

1.1.2 Market Supply Models

Market supply model refers to a model in which private enterprises are the main provider of leisure tourism public services by adopting market transaction methods for profit. In practice, the market supply models are divided into three types: First, the full market approach, that is, private enterprises to provide and produce leisure travel public services to earn a certain degree of profit; Second, the government provides related resources and enterprises will be responsible for production, namely, the government will buy public service from private enterprises, for those projects which are beyond the government's management capacity the government will delegate them to companies with the ability and qualifications. Normally, these companies will enjoy preferential policies or tax reduction. Contract outsourcing is a typical type; Third, Enterprises and social organization joint-supply, this type refers to a circumstance that private enterprises and social organizations jointly deliver leisure tourism public services in a specific environment or under certain conditions (Ren & Wang, 2006).

1.1.3 Voluntary Organization Supply Model

Voluntary supply is also called non-profit organization supply or third-sector supply. It refers to the third party besides the government and the market. It is a model in which various voluntary organizations or individuals voluntarily participate in the production and delivery of leisure tourism public service. Voluntary organizations are characterized by non-profit, free of charge, small-scale and flexible (Jiang, 2012). The advantages of volunteer organizations in leisure tourism public services supply lie on the reduction of the inefficiency of government supply on one hand, and the connection between government and market and the maximization of participation of the public on the other.

1.2 Structure of Diversified Portfolios of Supply Models of Leisure Tourism Public Service

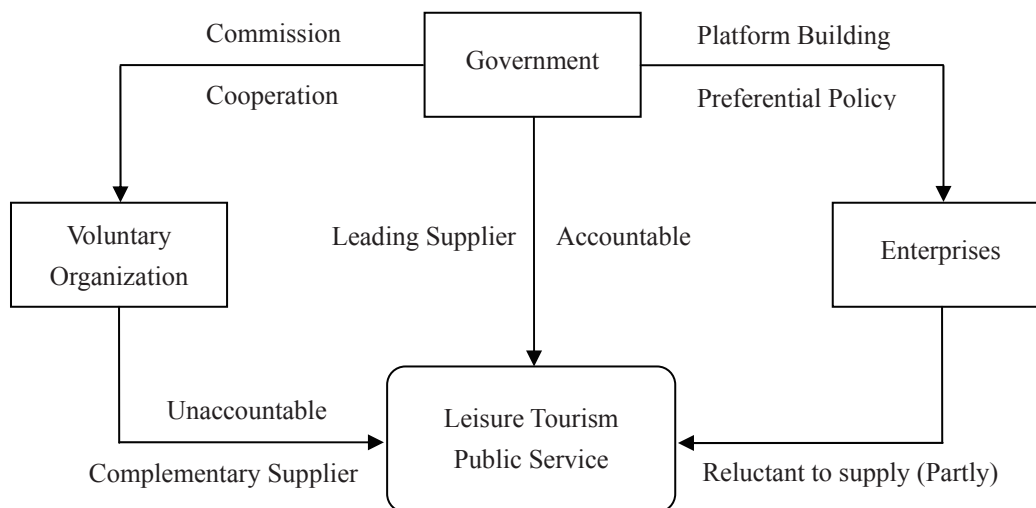


Figure 1
Structure of Diversified Portfolios of Supply Models of Leisure Tourism Public Service

Figure 1 shows the structure of and the interrelation between the elements of diversified portfolios of supply models of leisure tourism public service. First of all, for the basic infrastructure-based and enterprises-based market characteristics of leisure tourism service, general enterprises are reluctant, incompetent and obligation-free to provide related services. Voluntary organizations have no capacity and responsibility to provide as well. Then therefore the task passes to the government, who is the only party with capacity, responsibility and obligation to offer such basic public facilities. Generally, the public facilities include: leisure and tourism infrastructure, recreational sports facilities, image building, transportation and public service supervision (Xu, 2013). Therefore, the government has always been the main supplier of leisure and tourism public service, playing a leading role in the supply structure. The government will not only build platforms for the market enterprises to participate in leisure tourism public service but also deal with the relationship with voluntary organizations.

Secondly, for the market enterprises, based on their own characteristics and capacity, they can participate in the supply of leisure tourism services by selling services to the government if the government is not capable and resource-limited. For example, enterprises can take part in virescence management, sanitation, cleaning business and etc, as well as providing catering and entertainment facilities. Finally, voluntary organizations, as third party suppliers, can play an irreplaceable role which the government and enterprises are congenitally deficient, because activities organized by volunteer organizations are often widely recognized by the public. To sum up, in the diversified portfolios of supply models of leisure tourism service, governments, enterprises and voluntary organizations are all indispensable. The government, as the major service provider, is accountable for market regulation and market order maintaining. Table 1 shows advantages and disadvantages of government, enterprises and voluntary organizations in supplying leisure tourism public services.

Table 1
Service Contents of Diversified Portfolios of Supply Models of Leisure Tourism Public Service

Service Supplier	Service Content	Advantages	Disadvantages
Government	Enact relevant laws and regulations, establish service standards; tourism development; tourism image building and maintenance; sports equipment; transportation; leisure service monitoring	Violence potency; resourceful; advantages of organization, scales, coercive force and others	Financial pressure; low efficiency of resource allocation; single service models; low level supply; insufficient total quantity; unbalanced dislocation
Enterprises	Catering enterprises, hotels, entertainment facilities around leisure tourism areas; sanitation, virescence management	Technical, capital, management and other advantages; diversified service, autonomy and flexibility; meet the personal needs of market segments	Need effective supervision to improve proper service standards; Focus on profit making
Voluntary Organizations	Organize volunteer activities, volunteer activity promotion	Policy advantages; wide public acceptability, obvious public benefit; flexible structure	Insufficient Capital, human resources; unbalanced development

2. OPTIMIZATION OF DIVERSIFIED PORTFOLIOS OF SUPPLY MODELS IN LEISURE TOURISM

2.1 Separating Public Service “Providers” from “Producers”

Government departments establish cooperative relations with market enterprises through the separating the functions of leisure tourism public service delivery and production. As Li (2003) mentioned, the main responsibility of the government is not to intervene the market, but to play an administrative and coordinating role to actively improve the market planning. Although the government is the main supplier for leisure tourism public service, the market enterprises and voluntary organizations can still participate in the supply models in different ways. The diversified supply models of leisure tourism services will neither weaken the government status, nor will it reduce the government’s responsibility. Instead, it will help the government to update its role from micro-management to the middle and the macro-management (Li & Huang, 2011), and the government remains as a leading force in service supply. The government should be the “designer” (Xia & Bi, 2009) of the leisure tourism public service, clarifying the service and its supplier, and improving the related guarantee and supervision mechanism at the mean time. This also reflects the government’s role as the major supplier and its responsibility. The government also plays the role of “provider” in leisure tourism public service. The government is responsible for funds raising and supervising. Meanwhile, it is in charge of the macro management and regulation, which means it will select the competent market enterprises to supply public services. On the other hand, market enterprises are “producer” for leisure tourism public services. In leisure tourism public services, the necessary infrastructure may provided by the government, other facilities may provided by market enterprises through bidding, commission, purchasement and etc. In addition, the government may entrust part of the production to the voluntary organization, so that voluntary organizations can involve in the production of public services. In leisure tourism public service, separating service providers from service producers will help the government to concentrate on macro-management, supervision and coordination, and to improve the supply efficiency and service quality of leisure tourism public services.

2.2 Promoting Marketization Process of Public Service

As the leading producers and providers of leisure tourism public services, the government should correctly handle the relations among the diversified supplier entities to ensure that market enterprises and voluntary organizations are mobilized to provide service while the government remains as the leading service provider, and to balance

the common development of all three parties. First of all, the government should to develop development plans and related industry standards for enterprises that have interests in service supplying. Through these development plans and industry standards, on the one hand, enterprises will see the possibility of future development and involvement, on the other hand, these standards help to maintain the high-efficiency development of leisure-related services. Second, the government should establish competition mechanism and introduce appropriate multi-channel and multi-sectoral competition modes (Ma, 2011). For example, for scenic spot roads construction, virescence and maintenance, the government can launch open tendering in which a number of companies will compete with each other. Under a competition circumstance, both quality and efficiency of service supply are improved. Third, the government should establish effective public service quality supervision mechanism (Zhao, 2009). The competent departments of leisure tourism shall regularly inspect and supervise the outsourcing service provided by winning bidder enterprise, in particular, they should strengthen the inspection and supervision over the quality of public hygiene and public facilities maintenance to ensure the effective utilization of public facilities.

2.3 Fully Implementing Information-based Management

With the promotion and development of science and technology, information management tools are increasingly applied to tourism public services. First, the related government departments can achieve interconnection to improve communication quality and operational efficiency between departments. Second, we should establish official websites, official micro-blogs and official WeChat account, and set up complaints column. Official websites, micro-blogs, WeChats and other tools can be adopted to increase the interaction with the public, to accept public complaints, and to improve the efficiency of problem-solving. At the same time, the real-time positioning function of micro-blog and WeChat can help us to conduct real-time monitoring of public services and improve the efficiency of problem-solving.

2.4 Improve the Public’s Participation in Management and Supervision

The public has the most in-depth understanding and most intimate experience of the leisure tourism services. Mobilizing the public to participate in the management and supervision of public services is conducive to service efficiency and quality. Therefore, the government should increase publicity to encourage the public to offer advice and suggestions for leisure service management. For example, the government can release daily issues of leisure tourism in official websites, official micro-blogs, official WeChats or local newspaper columns, where the government can also receive the public’s feedback on management and supervision. In this case, the public

can supervise others while monitoring themselves. It is a good solution to reduce uncivilized phenomenon occurs in leisure tourism, such as spitting, spiting chewing gum, and littering cigarettes, peels, or bags.

2.5 Allowing Enterprises to Apply for Profit or Non-profit Projects

The government should allow qualified enterprises to conduct profit-making or non-profit projects within the area of the leisure tourism. Enterprises may submit specific plans to the government for examination and approval and those qualified may launch profit-making projects according to the state laws and regulations. Participants should actively promote some non-profit projects by themselves or jointly work with voluntary organizations.

CONCLUSION

As now China is establishing a service-oriented government, emphasizing the simplification of governmental organization, and undergoing a new structure transformation featured by small government and great society, the government-led leisure public service supply models are obviously not abreast of the time. Diversified supply model is one of trends in future reform and development. The government should coordinate the relationship among the government, enterprises and voluntary organizations when doing leisure tourism public services and the diversified portfolios of supply models should be adjusted and optimized according to local conditions.

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