

LINZ

Austria



Note: *This is a working document*

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1. Background

1.1 Introduction to Linz

*“In Linz beginnts (it all begins in Linz). This is a famous Austrian saying and it is spot on. This is a city on the move, with its finger on the pulse of the country’s technology, industry, culture and science; a cyber centre and a cutting edge gathering that looks freshly minted for a sci-fi movie. This all signals tomorrow’s Austin.”*¹

From its Roman origins, Linz had become a flourishing trading point in the Middle Ages. However, a sharp decline in trade meant that, by the early 20th century, the city’s importance had waned and it was just a modest provincial commercial centre. After the collapse of the Habsburg Empire, the First Republic was established in 1918, but this lasted just 16 years. A civil war led to a corporatist state unable to withstand the challenge of Germany’s emerging German Third Reich. Linz became a patronage city of the Führer, singled out for special urban and industrial planning and investment, especially for steel and armaments production.

As a result, over the following 50-60 years, it was perceived as an unattractive, polluted, industrial centre with few of the attractions of other Austrian cities such as Vienna, Salzburg, Graz or Innsbruck.

Since 2000, when Linz became the first Austrian city to have a cultural development plan, the transformation of this ‘Cinderella’ of Austrian cities has been remarkable, especially in terms of tourism. The change has been driven by a clear vision for sustainable urban development that is closely integrated with and aligned to the role of culture and tourism.

In 2014 Linz was voted Austria’s “best, most successful most trendy, most cool and most liveable state capital of the country” by the audience of HIT Radio 3. In 2015 it was placed 5th in the ranking of European ‘Smart Cities’ after Luxembourg, Cork, Leicester and Aarhus, and a year later was recognized as the Austrian city with the best quality of life.

The keys to the successful development of tourism in Linz are:

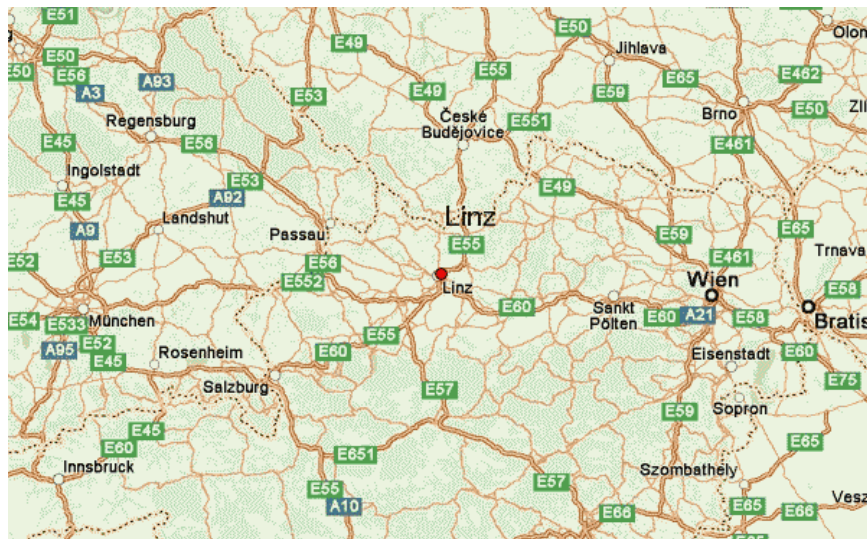
- Destination management, including economic activity;
- Social and cultural perspectives.

¹ Lonely Planet, 2014

1.2 Location

Linz is located in Upper Austria and sitting astride the River Danube (which provides connections to Rotterdam and the Black Sea), with Slovakia and Bavaria to the west and the Czech Republic and Prague to the north. More precisely, it is on the Paris-Budapest east-west axis and the Trieste-Malmö north-south axis. By motorway, it is 185 kilometres from Vienna, 130 kilometres from Salzburg and 270 kilometres from Munich, and it also has good rail links.

Figure 1.1 Location of Linz



Source: www.weather-forecast.com/linz

Linz Airport, which was recently rebranded and renamed “The Blue Danube Airport”, is situated about 15 kilometres west of the city centre. It has daily connections to Düsseldorf, Frankfurt, London and Vienna as well as a range of charter flights.

The city has been the birthplace or home to a number of people whose thinking and work have influenced (and still influence) the world today, among them:

- Johannes Kepler (1571–1630) the famous German theologian, mathematician, astronomer and astrologer, who lived in Linz from 1612–1627;
- Adalbert Stifter (1805–1868) poet, novelist and educationalist;
- Anton Bruckner (1824–1896) who was born near Linz and was an Austrian Romantic composer and music teacher;
- and Ludwig Wittgenstein (1889–1951) philosopher and mathematician who went to school in Linz with Adolf Hitler, who until the end of his life regarded Linz as his home town.

Few post-industrial cities in the world have transformed their physical, perceptual and tourist image as radically and successfully as Linz. In less than two decades, Austria’s third largest city and the capital of Upper Austria, with 200,000 residents

(and over 400,000 in the wider conurbation), has undergone a significant metamorphosis.

Today, Linz is synonymous with progress, vitality and vision founded on culture, sustainable urban development and tourism. The widely acknowledged catalyst for this transformation was the decision to bid for, and to win, the right to be the 2009 European Capital of Culture.

Linz is still an important transport hub and employment centre² – a city in which industry and commerce flourish and are the main drivers of the economy. But today it also has a vibrant contemporary cultural environment and a growing tourism sector. It was recently (in March 2017) acknowledged as the city with the best quality of life and best work: life balance in Austria.

Over the past 25 years the city's leaders have made a concerted effort to come to terms with the city's recent past and to address the issues associated with the mid-20th century history of the city. During the post-war period 1945–1955, Linz was a divided city, with the demarcation line dividing the Soviet-occupied northern zone from the United States-occupied zone to the south of the river Danube. It was a “City of Barracks”. But in 1986, Linz was declared a “City of Peace”. War-time factories were turned to civilian use; the extensive bombing of the city necessitated bold new plans and a strong investment in culture and education³. In 2003, the City Council funded comprehensive research into the history of 20th century Linz.

1.3 2009 European Capital of Culture – a success story

The importance of Linz becoming European Capital of Culture (ECoC) in 2009 cannot be overestimated in terms of its impact on the city's fortunes. It brought new confidence to the city, generating a willingness and eagerness to collaborate and to develop new ideas for tourism and culture.

According to the Kommerzialrat (KR) Manfred Grubauer, the Chair of Linz Tourismus, “Linz needed the explosion created by its year as European Capital of Culture – 7,500 cultural events and 3.5 million visitors – to reinvigorate the city. Now we can't stop the revolution.”

During the three years 2006–2008, Linz welcomed 600,000 international overnight tourists, as well as millions of same-day visitors or excursionists. In 2009 alone, as the EcoC, it attracted 2.9 million day visitors. Domestic arrivals (overnight and same-day visitors) increased by 20%, and there was similar growth from Switzerland and

² In 2017 there are over 6,200 businesses registered and located in Linz, sustaining over 200,000 jobs in the city.

³ In 1947 the University of Arts and Industrial Design was established. The Adult Education Centre was founded in 1948 and the Johannes Kepler University in 1966.. Today there are five universities in Linz (Sigmund Freud Private University, The University of Arts and Design, the Johannes Kepler University, the Anton Bruckner Private University and the Catholic Private University). The Johannes Kepler University has more than 20,000 full-time students.

the Czech Republic, with the German market up 16%. During the same year, overnight volume rose by 10%.

Research carried out by the Johannes Kepler University (2011)⁴ over the period 2005 (when the decision to bid for ECoC was taken) to 2010 suggested that tourism activities contributed some EUR 426 million to the city's gross domestic product (GDP), creating some 4,600 jobs across the Upper Austria region. In addition, according to the same report, public sector investment over the period totalled EUR 323 million in terms of infrastructure, with the private sector also investing close to EUR 75 million in new hotel developments and improvements in Linz.

Five years later, in 2014, building on the legacy of 2009 – and benefiting from over EUR 10 million of residual resources that helped develop more cultural facilities and improve marketing and promotion – Linz was designated UNESCO City of Media Arts⁵ along with Lyon, Tel Aviv, Dakar and Sapporo.

1.4 Tourism as an agent of change

Today, according to the Austrian Hotel Association (ÖHV), Linz is regarded as one of the top performing destinations in the country⁶. According to KR Manfred Grubauer⁷, this is due to a new way of defining tourism. “We had to adopt a new approach: to forget Linz's past – the smelly industrial city created by the Nazis – and to focus on the present, inspiring the visitor with optimism for the future.”

Linz Tourismus is the destination management organisation (DMO) charged with driving the city's tourism agenda and is the lead body responsible for development and marketing. It also coordinates these strategies and plans with those of other organisations representing the wider Upper Austria Region⁸. The DMO officially reports on its activities and performance every two years. (The latest comprehensive set of information is for the period 2014–2015, with the report for 2016–2017 due in early 2018.

In order to ensure that its strategy for tourism development is ‘contemporary’, relevant to marketplace trends and aligned to international best practice, Linz Tourismus monitors competitor destinations on a regular basis, in addition to undertaking and/or commissioning frequent market research and international benchmarking exercises. These activities involve many different stakeholders and the findings are shared with the tourism industry and the local community through a wide range of media.

⁴ Johannes Kepler University (2011), *The Economic Impact of European Capital of Culture*, Linz.

⁵ www.mediaarts.at

⁶ Austrian Hotel Association (ÖHV) (2016), *ÖsterreichsDestinationen: Entwicklung 2012–2015*, ÖHV, Vienna.

⁷ Personal interview with the Chair, Linz Tourismus by the author, March, 2017.

⁸ As represented by the Chamber of Commerce for Upper Austria (Tourism and Leisure Section) and the Upper Austria Tourist Board.

2. Tourism performance

2.1 Branding and positioning

The city of Linz has ancient foundations; its Celtic and Roman names (Lentia and Lentos, respectively) mean: “on a bend/the place where the Danube changes its course”. This has encouraged Linz Tourismus to develop the branding and positioning of Linz as a place of constant change with a spirit of experimentation and innovation, as well as a preference for the contemporary.

These values and characteristics remain at the heart of all the city’s business and product development, inspiring cultural programmes, imaginative architecture and innovative approaches to tourism development, marketing and promotion.

Visitors to Linz are invited to “discover new things, feelings, thoughts and experiences” ... to encounter history, landscape, technology and culture in different ways... to be prepared and willing to change their attitudes, perceptions and their behaviour in the same way that Linz and its citizens have changed their outlook and attitudes over the past 10-15 years and have become open minded as a society.

2.1.1 ‘Hard’ product development:

- OÖ Kulturquartier: a space for adventurous, experimental culture (www.oekulturequartier.at);
- Tabakfabrik: a creative hub for designers, manufacturers and hackers (www.tabakfabrik.linz.at);
- Ars Electronica: an experimental space where science and technology meet art (www.arselectronica.at) (see chapter 5);
- The Klangwolke Open Air spectacle in Donau Park attracting 100,000-plus visitors a year and the ‘Bubble Days’ when the city invites internationally acclaimed street artists to create world-class ‘street/urban art’ (www.muralharbor.at);
- The Höhenrausch roof top exhibition of contemporary art in the city centre (www.hoehenrausch.at);
- Voestalpine Stahlwelt: the multimedia visitor centre telling the story of the steel industry in Linz (www.voestalpine.com/stahlwelt).

2.1.2 ‘Soft’ product development:

- The Blue Meetings concept for the third most important meetings and incentives (MICE) destination in Austria is based on the premise that every business meeting is climate neutral, committed to waste reduction, is energy efficient and contributes to regional value added. Linz has further developed the concept of green events to ensure, not just the needs of the environment, but also those of

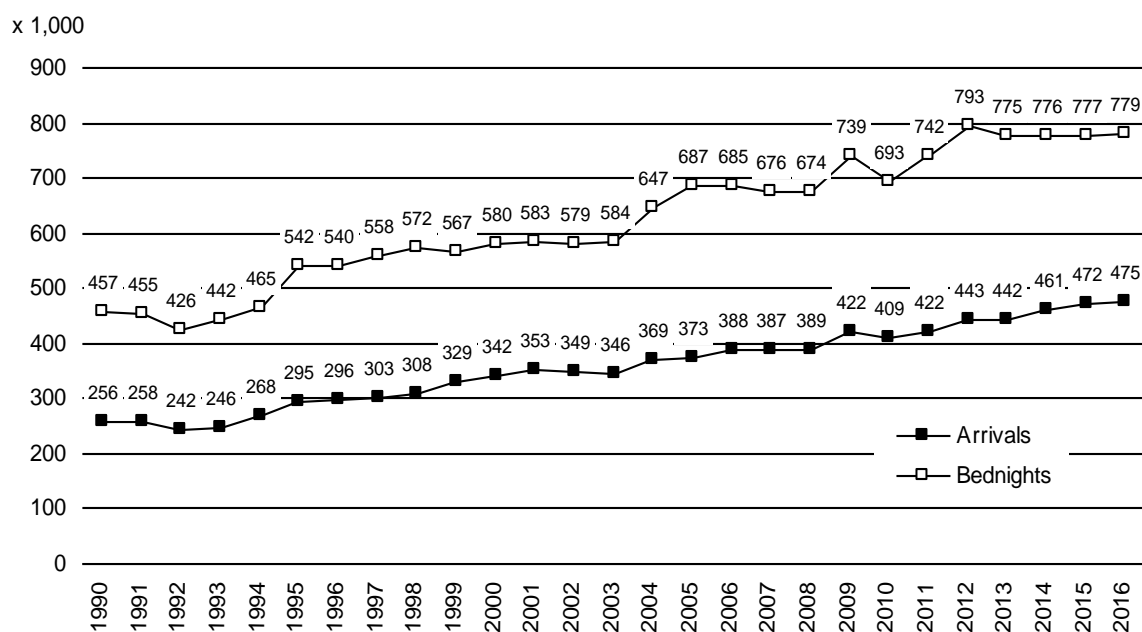
individual people. There are three levels to Linz's Blue Meetings concept: the person, the venue and the programme, the optimal coordination of which guarantees the event's success;

- The establishment of 'Tourism Lab': an innovative tourism ideas factory that encourages a fusion of skills and disciplines in the search for hybrid solutions;
- A highly successful marketing campaign to encourage city and regional residents to take short overnight breaks in off-season periods to “get to know Linz as a tourist” in order to help change attitudes and perceptions;
- Barock Live: a new interactive series of live performances of baroque music curated across the city (www.barocklive.eu).

2.2 The value and volume of Linz tourism

Tourist arrivals and overnight volume in Linz have been tracked for at least 50 years in one way or another. In 1960 the city recorded 360,000 bednights – a figure that remained fairly constant until the 1980s. By 1990 the annual total had risen to 457,000 and, over the next 20 years, this slowly increased to 580,000 for 341,000 arrivals.

Figure 2.1 Tourist arrivals and bednights in Linz, 1990–2016



Source: Linz Tourismus, 2017

For many, the annual growth in arrivals and bednights has been fairly steady, but the growth in bednights appears to have stalled since 2012. The ratio of international to domestic arrivals has been fairly balanced over the past two years at least – 50:50 in 2015, followed by 54:46 in 2016. But domestic tourists outweigh foreign visitors by 3:2 in terms of bednights, staying close to 2 nights on average as against less than 1.5 for those visiting from abroad.

Table 2.1: Seasonal highs and lows in hotel occupancy in Linz, 2016

	Bednights	Occupancy
Seasonal low: January	44,588	27.7%
Seasonal high: October	80,818	49.2%

Source: Linz Tourismus (2017).

According to the Upper Austria Chamber of Commerce (2015), tourism supports over 4,000 full-time job equivalents in the city. This includes work in the commercial accommodation sector (some 60 establishments) as well as in restaurants and bars (approximately 1,700 businesses) and in cultural and leisure attractions.

Table 2.2: Tourist beds in Linz by type of accommodation, 2017

Type of accommodation	Number of establishments	Number of beds (May 2015)	Number of beds (May 2016)
4* hotels	12	2,401	2,257
3* hotels	12	1,227	1,227
Hostels	1	252	252
Others	3	51	45
B&B	6	63	63
Total	60	5,150	4,963

Source: Linz Tourismus (2017).

Germans and Italians are the most important markets, and it is estimated that 60% of all visits are made by business tourists (MICE markets) and only 40% for leisure purposes.

Table 2.3: Key international markets, 2016

Market	Bednights	market share
Germany	165,400	42.5
Italy	26,800	6.9
China	18,188	4.7
United Kingdom	12,900	3.3
Other	152,815	39.3
Total	389,000	100.0

Source: Linz Tourismus (2017).

In recent years, as a result of a determined, concerted effort by Linz Tourismus, the Upper Austrian Tourist Board and a number of European Union funded projects, there has been a dramatic increase in the number of river cruise boats on the Danube stopping in Linz and using Linz as an embarkation port.

Table 2.5: Growth of river cruises on the Danube and for Linz

Criteria	Measure
Vessels	165 cabin ships and cruise vessels / liners on Upper Austrian Danube
Berthings ^a	2010 552 2016 1,659
Berthings in Linz	2016 860 2017 approx. 939
Number of passengers 2016	385,000 overnight trips 670,000 day-trips 115,000 occasional traffic
Markets	Germany, Switzerland, United States, Canada, Australia, Northern Europe (mainly United Kingdom)
Product development	Increase of themed cruises and bicycle tours
Average number of passengers per cruise ship	Approx. 150 for the Linz area of the river Danube

^a In marinas managed by the Werbegemeinschaft Donau OÖ.
Source: Linz Tourismus (2017).

Other activities monitored and measured by Linz Tourismus include visits to tourist information centres (TICs) and sales of the 'Linz Card', as well as numbers visiting the main cultural and leisure attractions.

Table 2.6: Trends in visitor activities and use of services in Linz, 2013 and 2016

	2013	2016	% change
Visitor services			
Sales of Linz Card	6,716	7,164	6.7%
TIC visits	72,156	63,280	-12.3%
Visitors			
Lentos Museum	51,000	55,000	7.8%
Ars Electronica	136,200	148,090	8.7%
Brucknerhaus	181,184	185,366	2.3%
Festivals			
Ars Electronica	85,342	92,147	8.0%
Pflasterspektakel	250,000	250,000	0.0%

Note: TIC = tourist information centre.
Source: Linz Tourismus (2017).

2.3 Tourism issues and challenges

There is a general consensus among key stakeholders that the main issues facing the future development of tourism in Linz are:

- Increasing the number, range and quality of the accommodation stock in the city, especially in terms of hotels, and increasing the number of quality apartments for short-term rental;

- The responsible and sustainable growth of cruise tourism;
- The development of new routes for the Blue Danube Airport;
- Growing Linz's international markets and visitation through an increase in, and promotion of, internationally renowned events and festivals and foreign student access to the city's universities;
- Maintaining the strength of the city brand by encouraging local community and tourist buy-in of the concept;
- Ensuring ongoing innovation and creativity in developing new experiences and products.

Figure 2.2 Main street and the Trinity Column in Linz



Image: Linz Tourism.

3. Destination management

3.1 Introduction

Destination development and tourism growth are driven by a very strong commitment to, and deep understanding of, the role and importance of the process of destination management by all stakeholders, the City Council and, increasingly, by the residents of the city themselves.

Destination management (and the associated marketing and positioning of the destination) is vested by law with Linz Tourismus, a not-for-profit company with its own independent board of directors and executive office that is the destination management organization (DMO) for the city.

The DMO is responsible for driving the vision and for elaborating strategies and programmes to deliver the agreed vision for the destination. It collaborates with partners and stakeholders representing the public, private and tertiary sectors of tourism and hospitality, and by forging a very close relationship between culture and sustainable urban development.

Table 3.1: Destination management performance criteria

Criteria	Yes (✓) / No (x)
Destination development strategy	
Existence of a DMO at the destination	✓
Clear and agreed vision	✓
Strong, well-established governance structure	✓
Sustainable tourism strategy with supporting policies and regulations for the destination	✓
Differentiation of the destination (USP and positioning)	✓
Private and public sectors' commitment and involvement	✓
Collaboration with stakeholders across a range of sectors as well as within the tourism industry	✓
Regular updates of strategy and action plans	✓
Performance measurement tools in place	✓
Alignment and integration with the tourism strategy for the wider region	✓
Commitment to human resource development	✓
Commitment to innovation and creativity	✓
Visitor and resident satisfaction	
Analysis of visitor satisfaction with the destination as a whole and its components	✓
Monitoring of changes in visitor perceptions of the destination	✓
Monitoring of resident satisfaction with the direction taken by the tourism strategy and with the development of tourism	✓

3.2 Organization and management structure

The responsibility for tourism in Austria is devolved to the individual states (Bundesländer) that make up the federal political entity of Austria. In the case of Linz this is the state of Upper Austria. In 2016 tourism contributed EUR 18,845 million of direct value added to the state's economy, or 5.5% of GDP, resulting from direct tourism expenditure of EUR 38,388 million and direct employment of over 334,000 people.

Since the organization and funding of tourism in Linz, and across Upper Austria, are embedded in statutes – they are not dependent on membership or voluntary contributions – Linz Tourismus does not have to chase after revenues. It has a

stable budget and a legal mandate to operate. Tourism is a statutory obligation: every business in Linz is obliged to contribute a percentage of its turnover to contribute to the organization and marketing/promotion of tourism in the city⁹.

Linz Tourismus is established as a not-for-profit company founded on a public-private sector partnership. Its annual budget is EUR 3.0 million, comprising:

- € 700,000 % of all companies' business turnover;
- € 1,200,000 Overnight bed tax;
- € 700,000 Contracts and commercial activities;
- € 400,000 Sales, merchandising and events.

In addition, EU structural funds provide project-based financing for a range of specific activities. Thanks to its strategic location, close to a number of international borders, Linz has been particularly successful in securing EU funding for transnational projects¹⁰.

The fact that every commercial accommodation operator has to maintain a register¹¹ of all guests, including their home address, and is responsible for receiving and reporting on locally applied bed and restaurant taxes, means that there is not only an accurate, robust, record of tourist activity in the sector, but that there is absolute trust and transparency in the process.

Linz Tourismus reports to a board of nine members and an Annual General Assembly attended by, on average, 1,800 stakeholders. The DMO has an Executive Office (managed by the CEO) of 14 full-time and 8 TIC staff organized into the following departments: research, marketing, sales¹², meetings, conferences, incentives and exhibitions (MICE)¹³¹⁴, visitor servicing (including TICs), finance and human resources. A vital aspect of the work of the DMO is internal communication with all key stakeholders and the local community. This includes:

- An annual tourism conference and an annual General Assembly;
- The 'Linz Changes Tourism Academy' – a quarterly meeting of all stakeholders from tourism and culture to integrate activity;
- Regular newsletters and online updates for the community as well as visitors;
- Personal contacts and meetings by the chair and CEO with local interest groups;
- Regular briefings (newly established) with city politicians;

⁹ Every business is allowed to calculate what proportion of its turnover is attributable to tourism and self-assesses its contribution.

¹⁰ Such as Danube cruising and cycle path projects.

¹¹ As from 2018, the function of coordinating, collecting and recording this information will be undertaken by the State Office for Tourism and Leisure.

¹² Responsible for the development and retailing of the 'Linz City Card' which offers discounts on tickets for attractions, events, dining and public transport – see www.linz.cards.

¹³ Working closely with all the local players – especially the city's conference and design centre - and coordinating a year-round calendar of leisure and business events.

¹⁴ Meeting Industry Report, MIRA <http://www.acb.at/Start/TagungStart/Statistik/mira>.

- Close working relationships with the Upper Austria Chamber of Commerce, the city airport, Upper Austrian Danube Promotion Agency and Upper Austria Tourism.

3.3 Attitudes and perceptions of residents and tourists

Linz Tourismus conducts an annual sample survey of its inhabitants to gauge their feelings about tourism in Linz – its direction, its outcomes and what their friends and relatives say and feel. This is regarded by Linz Tourismus as a good instrument for measuring performance because it is not just about numbers – it is also about feelings and opinions.

The 2015 survey concluded that:

- 78% of the population of the city felt the direction of tourism strategy and development was correct (9% disagreed and 13% expressed no opinion);
- 90% of residents reported that their visiting friends and relatives were highly satisfied with the tourism experience in Linz;
- 92% of residents interviewed were very satisfied with the tourism experiences in Linz;
- 90%+ visitor satisfaction levels.

Nevertheless, within the senior management team of Linz Tourismus there is concern that the wrong KPIs have led to manipulation of the strategy and action plans and distract attention from the more meaningful measures of performance relevant to the 21st century. There is too much reliance on traditional measures of success. Indeed, in a destination that positions itself as a place that is constantly changing, and which challenges people to think differently about the world we live in, it is perhaps appropriate that Linz Tourismus is considering a new palette of key performance areas and indices that will be likely to be a better fit for the future.

3.4 New performance measures

Since the review of traditional performance measurement is ongoing by Linz Tourismus and its partners and stakeholders, the following reflects the possible direction and scope of destination metrics that may be developed by Linz Tourismus:

- Residents' buy-in and overall level of support for tourism and annual themes under consideration (e.g. 2016 was the Year of the Art of Living);
- The number of new, innovative products brought to market, especially via the Tourism Lab and other creative initiatives;
- Factors representing an increased level of professionalism within the hospitality industry;

- The number/percentage of frontline hospitality staff benefiting from training and other means of developing person-to-person relationships;
- The proportion of businesses represented at the annual tourism conference and the engagement of businesses/organizations in the Tourism Academy;
- Innovative measures to track changing attitudes of residents and visitors;
- The level and depth of involvement of the creative sectors in tourism and the establishment of new networks;
- Metrics associated with social media activity and the role of big data analysis linked directly to marketing strategy and action plans.

It is clear that change is in the air with regards to the way the DMO defines and demonstrates the successful, responsible and sustainable development and management of tourism in the city of Linz. There will be a shift in emphasis away from a reliance on traditional metrics of the volume and value of tourism to a new system of information, sourced from a range to ‘new technology’ and social media-based data that relates much more closely to:

- The quality of the tourist/guest experience;
- The quality of life for its citizens/hosts;
- The quality of interactions and relationships between ‘guest’ and ‘host’.

3.5 Marketing and communications strategy and action plan

‘Linz.Verändert’ is the current marketing and action plan of Linz Tourismus, a document that sets out the strategy and articulates the rationale for the strategy, together with targets, outcomes and costed actions for the following:

- Projects and joint collaborative activities such as transborder promotions of the Danube, the development of ‘Next Generation and the Tourismus Lab for Innovation’, joint promotions with the airport, and new events such as Barock Live and on-line tourist information services.
- The delivery of visitor information services within the city, especially the newly created weekend packages targeting domestic tourists to allow them “to get to know your city”, the development of the Linz Card (offering unlimited public transport across the city and admissions to leading attractions, as well as discounts in shops and restaurants), and the creation of a new campaigns such as ‘ZuGast in DeinerStadt’, which is designed to encourage hotel staff to cross-promote and sell ideas for dining in the city;
- On-line communications including social media apps, newsletters and the schedule of tradeshow, plus group marketing activities (including educational markets);

- The development of cooperation and partnerships, including working with the cultural sector, local and regional transport providers, universities, the Austrian Tourist Guides network and other private and public stakeholders such as the Hotel Association, the Innkeepers Association, Creative Austria and the Upper Austria Chamber of Commerce.

The action plan determines the balance to be achieved through traditional and new media for marketing, promotions, sales, PR and visitor service information. As an example, there is an impressive range of print materials providing detailed information on Linz architecture.

Figure 3.1 Linz: Linz Card Info and Barock Live brochures



Source: Linz Tourismus.

4. Social and cultural perspectives

4.1 The cultural strategy

At the heart of the paradigm shift in the way Linz has developed over the past 15 years is a strong, ambitious and unambiguous focus on the role of culture and tourism in changing the physical structure and character of the city and, in so doing, enhancing the perception, appeal and reputation of the city in domestic and

international markets. As a result, social and cultural criteria are now seen as vital elements in monitoring and measuring the success of tourism in the city.

The city's tourism development plan is now aligned with, and fully integrated with, the cultural and social development of the city, and together help to determine the future of sustainable urban development in Linz. There is strong inter-agency collaboration between the cultural and creative industries and the tourism industry. This is driven by Linz Tourismus together with Upper Austria Tourism and Creative Austria.

Table 4.1: Linz: key performance criteria for culture and tourism

Criteria	Yes (✓) / No (✗)
Cultural development plan	
Existence of a regularly updated cultural strategy	✓
Clear and agreed vision for culture and tourism	✓
Strong, well established governance structure	✓
Sustainable cultural strategy with supporting policies and investments enhancing the appeal of the destination	✓
Using culture to differentiate the destination	✓
Private, public and tertiary sectors commitment and involvement	✓
Collaboration with stakeholders across a range of sectors as well as within the cultural and creative industries, using a range of networks and tools	✓
Regular updates of strategy and action plans	✓
Performance measurement tools in place	✓
Alignment and integration with tourism strategy	✓
Commitment to human resource development	✓
Commitment to innovation and creativity	✓
Cultural contribution to sustainable urban development	
Using culture to help shape urban development	✓
Harnessing cultural tourism to enhance the quality of life of citizens	✓
Creating a wide range of special programmes to ensure innovation, investment and new product development	✓
Making a positive contribution to civic society and changing perceptions of citizens and tourists	✓

4.2 Cultural Development Plan

The basis for the cultural transformation of Linz was the creation of the Cultural Development Plan 2000–2010¹⁵ for the city and the way this plan contributed to enlightened and visionary thinking about the sustainable urban development of Linz. These changes were directly linked to a change in the minds of people – both residents and tourists.

The plan, and the resultant bid to be the 2009 European Capital of Culture, had a number of key themes that continue to resonate throughout the city today and

¹⁵ www.linz.at/english/culture.3895.asp

contribute to the appeal, branding and positioning of Linz in today's tourism marketplace. These themes are:

- Culture as everyday life
- *Avant garde* – now and forever
- Connectedness is an asset of democracy
- Culture knows no bounds
- At the end is renewal and constant change.

In the same way as the new cultural buildings (the LENTOS Museum in 2003, the Knowledge Tower in 2007 and Ars Electronica in 2009) changed the cityscape and city life, so new cultural programmes helped to change the mindset of the people, especially in terms of awareness and perceptions.

Even before the formalization of the central role for culture in the 2000–2010 plan, the city was rethinking the role of culture in the future of the city. The plan delivered the roadmap for the future and generated a wide range of special funding programmes for culture, such as: LinzExPort, LinzImPorT and LinzKultur/4, as well as innovative projects like the Cloud of Sound, the Academy of the Impossible and the idea for a different, monthly 'District of Culture' across the city.

4.3 2009 European Capital of Culture

The 2010 review of the cultural benefits and impacts of Linz's year as European Capital of Culture, which was undertaken by consultants ECOTEC for the European Union (EAC/03/06)¹⁶, concluded that:

- The Cultural Development Plan had created the essential vision and an environment of steady growth giving the Capital of Culture year a strong foundation;
- It had created strong partnerships at all levels – federal, regional and across the city;
- The original budget of EUR 80 million was well managed, with a total spending of about EUR 69 million creating a residual resource for ongoing cultural activity;
- The year generated significant economic and tourism benefits, as well as a change in levels of awareness and a major shift in residents' opinions and perceptions of their city.

The Cultural Development Plan was successful in setting out the goals of, and the mechanisms needed to secure, the 2009 European Capital of Culture. It also articulated the legacy opportunities, one of which was to become part of the UNESCO Creative Cities Network (www.unesco.org/creative-cities). Established in 2004 to stimulate cooperation among cities in order to promote creativity as a strong dimension of sustainable urban development, this network now has 116 members in

¹⁶ //<https://ec.europa.eu/.../European-capitals-of-culture-evaluation/2010>.

54 countries in seven areas of creativity: Crafts and Folk Art, Design, Film, Gastronomy, Literature, Music and Media Arts.

In 2014 Linz successfully joined this network as one of the UNESCO Media Arts cities, along with eight other cities in the world – Dakar, Austin, Enghein-les-bains, Tel Aviv, Gwangju, Lyon and York. This means that Linz is, according to UNESCO, formally “placing creativity and cultural inclusion at the heart of the city’s development plans for urban development and tourism at the local level and actively cooperating at the international level.”

‘Media art’ is defined by UNESCO as “artworks that depend on technological components to function.” This designation and the focus on the cultural programme over the period 2015–2025 are helping to drive international tourism and enhance the international profile of the city, thus reinforcing the brand and positioning of Linz.

4.4 Sustainable urban development

Responsibility for urban development is shared between the State and the City Council of Linz (an elected body with voting every six years and managed by a Senate of eight politicians). In addition, the City Council has recently adopted ‘Linz 2050’, a holistic vision for new energy systems throughout the city based on the e-metering of consumption, e-mobility, and energy-efficient buildings all aiming to deliver a zero per capita level of CO₂ emissions by 2050.

The city’s Zonal Plan is implemented by the Urban Development Business Group and includes decisions about residential, industrial, cultural, touristic and green space land allocations. This process includes traditional forms of public participation in urban planning, such as regular surveys of the residents and businesses. There is now a move towards e-governance with projects like ‘The Open Ciy’ and ‘Look at Linz’. From this exercise local projects are emerging which benefit residents and tourists alike, such as ‘Linz braucht einen Strand’ (Linz needs a beach), community gardens, such as the Garden of Habitats and ‘Linz Picks’, which will see fruit trees planted throughout the city.

With the recent decline of industrialization in the city, there are particular challenges associated with former ‘brownfield sites’ and the reuse of redundant industrial buildings – which are being increasingly recycled for cultural and tourism purposes. In addition, the Urban Development Business Group is charged with encouraging new ideas and solutions for sustainable development (including, for example, ‘solarCITY’ and Creative Region Austria – discussed below) emerging from the creative processes at work in centres such as the Kepler-Salon, Tabakfabrik, Ars Electronica and the universities.

- SolarCITY is a EUR 190 million project to create a new form of eco-community of some 4,000 people, initially established in 2005 in the suburbs of Linz, where

60% of the land allocation is green space, there are low-energy houses, solar energy systems and an integrated transport system.

- Creative Austria is a communications platform supporting a number of Austrian cities and regions, which targets groups of high-interest visitors and investors interested in contemporary culture and the development of the social entrepreneurship in the creative industries with funding by a membership scheme.

In these ways culture and tourism are directly contributing to the reshaping and future of urban development in the destination.

5. Case studies: examples of best practice

5.1 Ars Electronica

Ars Electronica has its origins in 1979 when a small group of visionaries proposed an initiative that sought to develop links between the arts, technology and society that would produce innovative, radical and often eccentric ideas to influence everyday life and contribute to sustainable urban development. It all began with the organization of a 'Festival of Ideas'. This festival has now become an annual event, gaining a highly respected international reputation. Each year it is based around a different theme that attracts a global audience of researchers, innovators and thinkers.

Figure 4.1: The Ars Electronica centre



Image: Linz Tourismus.

Today, the Ars Electronica centre, opened in 2009 on the north bank of the Danube as part of the European Capital of Culture, is a permanent, year-round focal point for this work, attracting some 150,000 visitors a year. It is an architectural expression of a place of inquiry, discovery and experimentation with a range of permanent and

temporary exhibits that, according to Andreas Bauer, Senior Director¹⁷, explore “new visions of humanity and how humans interact with the environment”. Known locally as the Museum of the Future, the Ars Electronica presents, interprets and provokes ideas about futuristic visions of society and our impact on the environment. It includes the unique Deep Space, an immersive and interactive 16-metre x 9-metre high 3D art installation.

In addition to being a visitor attraction, Ars Electronica is also a place of research, interaction and experimentation. Aspects of its work include:

- The FutureLab: an in-house research and development laboratory that experiments with ideas and converts them into applications and products that can benefit and drive new ideas about urban development;
- Organizers of the annual Festival for Art, Technology and Society (branded ‘Ars Electronica’) in which a different theme is identified every year. In 2015 the theme was Post-City, Habitats for the 21st Century; in 2016 the Radical Atom and the Alchemists of the Future; and in 2017 Artificial Intelligence.
- Organizers of the Prix Ars Electronica competition, which is regarded as an international trend barometer that identifies, articulates and interprets key trends affecting the interaction between art, technology and society.

In 1995 Ars Electronica GmbH was constituted as an enterprise of the city of Linz with financial support from the city, the State of Upper Austria and the Federal Government of Austria. It is managed by a board of directors supported by a full-time executive office.

The work of Ars Electronica is embedded in the development of Linz and the wider region. It is a real expression of the branding and positioning of Linz as a place of change. The centre is a strong expression of a city that looks forward, is open to new ideas and experimentation, and is focused on ‘change’ in all its dimensions.

This is an institution that works closely with specialists around the world thus advancing the internationalisation of the city. The benefits to the city and the wider region are well recognized by all local and regional stakeholders. These are summarized below:

¹⁷ Personal interview with the author, March 2017.

Table 5.1: Ars Electronica: benefits and impacts

Criteria	Yes (✓) / No (✗)
Generates tourist and day visits to attraction and festival	✓
Collaboration with Linz Tourismus and partners in city promotions	✓
Generates international awareness and collaborations	✓
Contributes to new ideas and product development to support tourism, sustainable urban development and shaping responsible futures	✓
Creates jobs and spending in the community; attracts new talent and helps support the work of the universities	✓
Supports the change of culture by encouraging innovation and creativity, thus helping change perceptions of the city	✓

5.2 The Kepler-Salon

The Kepler-Salon is the popular name for the Association for the Promotion of Knowledge Transfer. It was established in 2009, again as part of the European Capital of Culture, as a place for public debate, learning and discourse about a wide range of topics associated with enlightenment, science, art and society.

It provides an annual programme of conferences, seminars and other events open to anyone; it prides itself on what it calls “the low threshold of access”. As a result, it makes a significant contribution to informing citizens and visitors about future trends in society, and helps inform discussions about the future for tourism and sustainable urban development in Linz and Upper Austria.

The salon is named after Johannes Kepler (1612–1677) the 15th century astronomer and mathematician who lived in Linz. The work of the not-for-profit association is funded by the City Council and the Government of Upper Austria, together with contributions from its friends organisation and sponsors/partners, and is managed by an independent board.

This association is not a significant driver of tourism to the city in its own right, but it is an icon of the branding and positioning of Linz as a ‘open-minded place’, as a destination where new ideas are welcome and where innovation is encouraged. As a result, the Kepler-Salon is regarded as a key component of the tourism system in the destination.

Table 5.2: Kepler Salon: benefits and impacts

Criteria	Yes (✓) / No (✗)
Generates tourist and day visits to debates and discussions	✓
Collaborates with Linz Tourismus and partners in discussing the future of the city and the region	✓
Generates international awareness and collaborations	✓
Contributes to new ideas and product development to support tourism, sustainable urban development and shaping responsible futures	✓
Contributes to the development of an 'open-minded city' and supports the brand and positioning 'Linz.Changes'	✓
Supports the change of culture by encouraging innovation and creativity, thus helping change perceptions of the city	✓

6. Conclusions

Linz should be regarded as an exemplar of a post-industrial city that has successfully transformed itself and has placed tourism and culture at the heart of this transformational process. And, importantly, the process continues: the concept of 'Linz Changes' has to be ongoing by its very definition.

This means that the way tourism success and performance are monitored and measured in the future will also have to continue to evolve and change, according to a wide range of socio-economic and cultural objectives of developing tourism in the city and the wider Upper Austria region.

The definition of future measures of tourism performance for Linz will always have to be dynamic and subject to change if they are to be relevant to the spirit of the city, its branding and its core values.

There are a number of factors that make Linz a world-class city worthy of recognition as a benchmark for both quantitative and qualitative success in tourism development:

- The organizational framework, structure, leadership, visioning and integrated approach for tourism development, including a very hands-on management style by the Linz Tourismus team – a team with stable, enlightened and bold leadership;
- The stable and systematic funding model to support the work of the DMO;
- The open, transparent and collaborative approach to communications and the involvement of politicians, businesses, culture operators and residents in the tourism process;
- The constant desire for change involving innovation, creativity and experimentation that are evident in all aspects of tourism and cultural development in the city, resulting in a number of world-class institutions, organizations and events such as: Ars Electronica, the Deep Space, the

Brucknerhaus, the Kepler-Salon, Linz Tourism Academy, international conferences and the Tourism Laboratory for Tourism Innovation;

- A collaborative, collective and integrated approach to the creation of innovative, unique Linz experiences;
- It is a city destination with a clear brand and positioning that delivers to this brand.

It is clear that the tourism leaders in Linz are looking at how best to address these challenges over the next five years and devise appropriate new tourism related measure of tourism performance that reflect these new factors.

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List of interviewees

Georg Steiner, CEO, Linz Tourismus

KR Manfred Grubauer, Chair, Linz Tourismus

Sandra Blöchl, Research and Projects Officer, Linz Tourismus

Professor Reinhardt Kannonier, Rector Arts University Linz

Dr. Robert Steiner, Section Manager Tourism and Leisure, Chamber of Commerce, Upper Austria

Mag. Andreas Winkelhofer, CEO, Upper Austrian Tourist Board

Gerhardt Kunesch, Managing Director, Blue Danube Airport Linz

Petra Riffert, General Manager, WGD Donau Oberösterreich Tourismus

Mag. Rainer Jelinek, Destinations and Office Services, Upper Austrian Tourism

Sebastian Frankenberger, Austria and Linz Tourism Guide

Mag. Andreas Bauer, Senior Director, Ars Electronica Linz

Norbert Trawöger, Director, Kepler-Salon, Linz

Doris Lang-Mayerhof, City Councillor Responsible for Tourism & Culture

Dr. Michael Strugl, Member of the Upper Austrian Government

Christoph Thoma, Cultural Manager, Bludenz

Site visits

Ars Electronica

Donau Park

Brucknerhaus

Lentos Museum

¹⁸ Kommerzialrat (KR) is an Austrian honorary title meaning Councillor for Commerce

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