

Tourism Firms Survival in Italian Insular Regions

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Abstract Tourism studies are mostly demand-side oriented. They usually look at the consumption in tourism and focus on the tourists behaviour. Less evidence is provided on the characteristics of tourism industry. However, this should be an important perspective of analysis in tourism research, especially when investigation aims to explore the influence of tourism on regional and local development. From a supply-side oriented perspective, we can obtain useful evidence on the rooting of the tourism industry in specific destinations and this is important for the implications in terms of regional and local development. To this end, the analysis of firms survival could be an important tool to measure how an industry is steadily located in an area. Neglecting survival analysis and only looking at the firms entry rates may be even misleading in some cases (see, Piacentino et al. 2017). This study looks at the geographical dynamics of tourism industry in the two main Italian islands, viz. Sicily and Sardinia. The two regions are an interesting case study because they are attractive tourist destinations, for their natural and historical resources but, at the same time, they are located in an economically depressed area of Italy. Due to the availability of data, we focus the analysis on the period 2010-2015. This paper contributes to literature for different reasons. First, it provides an accurate, and unique at the best of our knowledge, analysis of geography of tourism industry in the two Italian insular regions. Second, it enables us to explore whether tourism industry is steadily located in specific areas (e.g. coastal or inner areas). Finally, it looks at the influence of some main firm characteristics on its survival probability.

Key words: Tourism Industry, Firms survival

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