



# **The SAGE International Encyclopedia of Travel and Tourism**

## **Butler's Tourism Area Life Cycle and Its Expansion to the Creative Economy**

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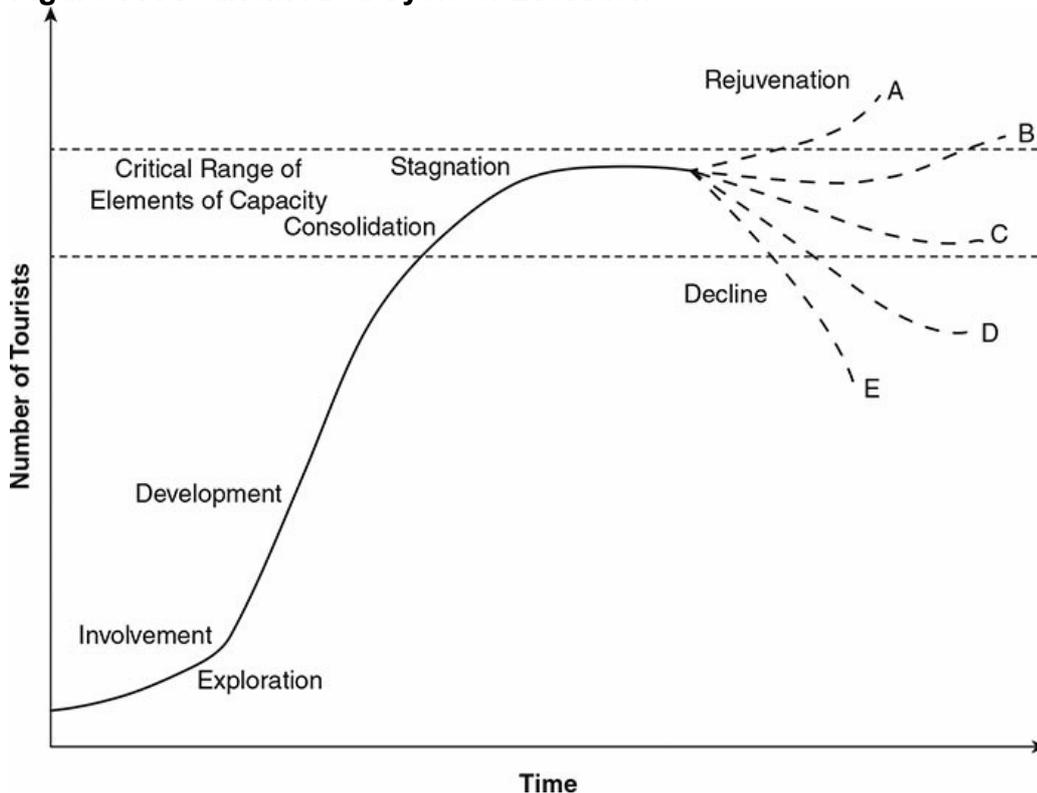
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In 1980, R. W. Butler published his tourism area cycle of evolution model graphing a correlation of number of tourists on the *y*-axis and time on the *x*-axis. Although a location's capacity for number of tourists and the specific number of sustainable years may vary from location to location, Butler proposed that every tourist location evolves through a common set of stages: *exploration*, *involvement*, *development*, *consolidation*, *stagnation*, and then some variation of *rejuvenation* or *decline* (see [Figure 1](#)). Butler's model frames the resources that enable a region to become a tourist destination as finite and ultimately exhaustible.

**Figure 1 A Tourism Area Cycle of Evolution**



*Source:* From Figure 1, p. 7, in Butler, R. W. (1980). The Concept of a Tourist Area Cycle of Evolution: Implications for Management of Resources. *The Canadian Geographer*, 24(1), 5–12. doi: 10.1111/j.1541-0064.1980.tb00970.x

Rather than imagining a tourist destination always being a tourist destination, Butler recognizes that change is constant and that, ultimately, the initial reasons a location becomes a desirable tourist destination will no longer exist and the location will either need to seek rejuvenation or face decline. Embedded within Butler's model is a call for sustainability and the conservation of resources, thereby increasing the length of time a location can maintain being a viable tourist destination. There is also an implicit call for closer collaboration and integration of the tourism industry and the local community to better shield the local community from potential exploitation or disenfranchisement.

### The Exploration Stage

Butler's model begins with a discovery and *exploration stage* in which a location is discovered by a small, select group of people as a place with desirable assets. Often, this discovery is made independently of members of the native population who may see the perceived assets

as just ordinary aspects of their environment or local culture. The early tourists have very little support in the form of amenities, and typically, this is preferred and is part of a location's allure of being undiscovered and unblemished. The early tourists, therefore, rely heavily on and interact frequently with the residents of the region.

The arrival of tourists is a relative novelty to the community, and few accommodations are made specifically for the needs of visitors. Disruptions to the day-to-day life of residents are minimal. This small group of early tourists is largely independent and shares information about a destination by word of mouth or by select affinity groups. Over time, as more people are introduced to the destination, the number of visitors begins to increase.

### The Involvement Stage

Eventually, as more and more tourists visit a region with regularity, residents begin to cater resources and amenities to the visitors and the location enters the *involvement stage*. In this stage, residents provide amenities for the visitors, and a tourism economy starts to develop with new businesses created to cater specifically to the needs of visitors. This can take the form of tour guides, hotels, restaurants, souvenir shops, campgrounds, the expansion of cultural festivals, arts and crafts markets, and so on.

Marketing focused on specific times of the year to highlight local assets, whether they are natural features or cultural celebrations, is developed to support the burgeoning tourist economy. As a tourism economy begins to form, the increase in visitors creates additional needs to support the new transient population in the form of greater public services—for example, increased police presence, access to emergency health care, public transportation, and hospitality services.

### The Development Stage

Ultimately, the local resources are not sufficient to provide for the increased needs of a sometimes rapidly growing tourism industry. In the *development stage*, corporations and people from outside the region supplant the local providers of services in the tourist destination. The resources of regional or national franchises can create multistory hotels that can render a local industry of bed-and-breakfast establishments, motels, and inns irrelevant or relegated to a very small niche market. Restaurant chains can draw on familiarity and national marketing plans to attract customers on a scale that local establishments cannot compete with.

The community begins to bifurcate in a way that isolates the tourists from the actual local community. The residents have less and less contact with the visitors to the region and are only peripherally involved through service employment. Tourists have less contact with the residents and experience the location primarily through the managed experience of the tourism destination. Often, the original natural and cultural assets need additional infrastructure added to help further entice visitors to the region with comfort and convenience.

The increasing popularity and accessibility of these assets can draw so many visitors to the region that at times visitors may equal or surpass the local population. At this point, the original exploring tourists have moved on to less well-known destinations and have been replaced by tourists who seek reliably structured experiences. The demands the new tourists bring to the local community can become a source of friction in that a community's resources can be overstretched from the focus on the well-being of the temporary visitors and the

tourism economy, so much so that long-term community members may feel neglected or disenfranchised.

### The Consolidation Stage

When a region reaches the *consolidation stage* the limits of growth start to become apparent. Although numbers of visitors continue to rise, the rate of increase slows. Amenities provided by regional and national companies now dominate the local tourism economy, but few new amenities are developed after this point. The few remaining locally owned amenities continue to lose market share and seem out of date as they are unable to compete for clientele with the newer, more modern, or recently updated businesses. The destination may attempt to use marketing to offset the slowing growth by extending the tourism season beyond traditional dates and by focusing on specialized cohorts of tourists.

This can have some positive effects in drawing in new populations, but the growth in visitors cannot match the rates of growth witnessed in the earlier stages of the cycle. Within the community, visitors outnumber residents, and animosity may continue to rise from the disproportionate services provided for and catered to tourists and the inconveniences related to the increased population during the tourism season. The recognition of this animosity can emerge when confrontations between visitors and residents occur; those confrontations can degrade some of the appeal of the destination.

### The Stagnation Stage

Once the number of visitors stops increasing, the region will have reached its peak capacity and begins to enter the *stagnation stage*. At peak capacity, a location struggles with the ensuing lack of resources, a shortage of social services, and damage to the environment. The lack of resources begins to have the cumulative effect of making a location look out of date, not well maintained, or decrepit. Although the location retains recognition as a traditional destination, it no longer attracts many new visitors. Instead, tourism relies on the return of previous visitors to maintain a tradition.

As time progresses, there are fewer return visitors, despite marketing efforts to keep them engaged. Visitors either age out of the location or move on to other destinations. The tourism economy in the *stagnation stage* is strained from dwindling income from visitors, thereby causing less impetus to invest in additional amenities or to update existing amenities. The dwindling opportunities for profit help make other locations more desirable for the franchises and chain establishments, which in turn can lead to empty store fronts and shuttered buildings. As more empty storefronts and shuttered buildings appear, the appeal to tourists again decreases, amenities are reduced, and more businesses close or relocate elsewhere.

### The Decline Stage

As the potential for increased profits dwindle, many of the closed tourism-focused establishments undergo changes in ownership as the national and regional establishments move to more profitable locations and sell off assets at affordable prices. The affordability of establishments enables residents to reenter the tourism economy as owners. In addition, many of these establishments, under new local ownership, transform into non-tourism-focused endeavors centered more on the needs of residents. As fewer and fewer amenities are available to cater specifically to tourists, fewer tourists find the location desirable.

The *decline stage* sees visitors primarily as short-term tourists arriving for weekends or daytrips while they are en route to another destination. There is little capacity in the local businesses for large-scale marketing to attract or retain visitors, and ultimately, the location may no longer be recognized as a tourist destination. Vestiges of the location's tourism heyday fall into disrepair, and the tourism economy is no longer a substantive sector in the local economy.

### The Rejuvenation Stage

Butler suggests that, on rare occasions, if a location can reinvent itself either through human-constructed attractions or by using underappreciated natural resources, it can be rejuvenated. Butler gives examples of locations building a casino or reorienting a summer location to a winter sports market as examples of substantial reinvention. Rejuvenation is not a complete return to the *exploration stage*; rather, it is an adjustment from the *stagnation stage* by targeting a new specific population—for example, gamblers or skiers. This rejuvenation can create a reemergence of a tourist economy in which investment from the state and businesses spurn new development of amenities.

However, in most cases, competition from other locations attempting similar rejuvenation plans limits the rejuvenation to a finite life span. When one casino stimulates the development of three other casinos, none of the casinos sees the same draw of tourists the first casino did. Ultimately, in Butler's model, except in rare cases in which truly unique attractions continue to draw tourists for generations (e.g., the Grand Canyon, Niagara Falls, the Eiffel Tower, or the Great Wall) or if there are resources to constantly reinvigorate attractions (e.g., the Walt Disney theme parks, and there is the infrastructure to support those visitors), all tourism areas are destined for a finite existence.

### Conservation and Sustainability

If one recognizes that tourist areas have finite life spans, then one can incorporate that knowledge into business and community development models where conservation and sustainability can limit the damage done from exceeding the visitor carrying capacity of the community or environment. The primary degrading factor for Butler's model is exceeding the capacity for the number of visitors within a specific time frame. The management of resources in Butler's stages of *exploration*, *involvement*, *development*, *consolidation*, and *stagnation* can alter the dynamics so that a destination can serve fewer visitors over a longer period while reaching the carrying capacity of its resources and enable a managed economic stability for the community.

Butler's life cycle can inform business models and regional planning for the tourism economy to maintain a long-term vision on sustainability rather than goals that emphasize the greatest immediate profit. Doing so, a community can prioritize sustainability in a way that maintains income from tourism for longer periods of time and conserves the human and natural environmental resources that make a location desirable.

### A Creative Economy Cycle

One adaptation of Butler's tourism area cycle of evolution is to transfer similar concepts to the creative economy. A tourism economy plays hand in hand with the creative economy, and one

can feed the other. Like Butler’s tourism areas, artists and artisans, communities, villages, towns, cities, and counties also experience economic life cycles. This creative economy life cycle assumes a circular posture that, although it seems more optimistic than Butler’s almost inevitable decline, recognizes that time is a variable scale and can be framed in more geologic than human scales. The creative economy life cycle parallels Butler’s involvement, exploration, development, consolidation, stagnation, and decline with stages moving from *prosperity* to *self-preservation* to *crisis* to *opportunity*, as shown in [Figure 2](#).

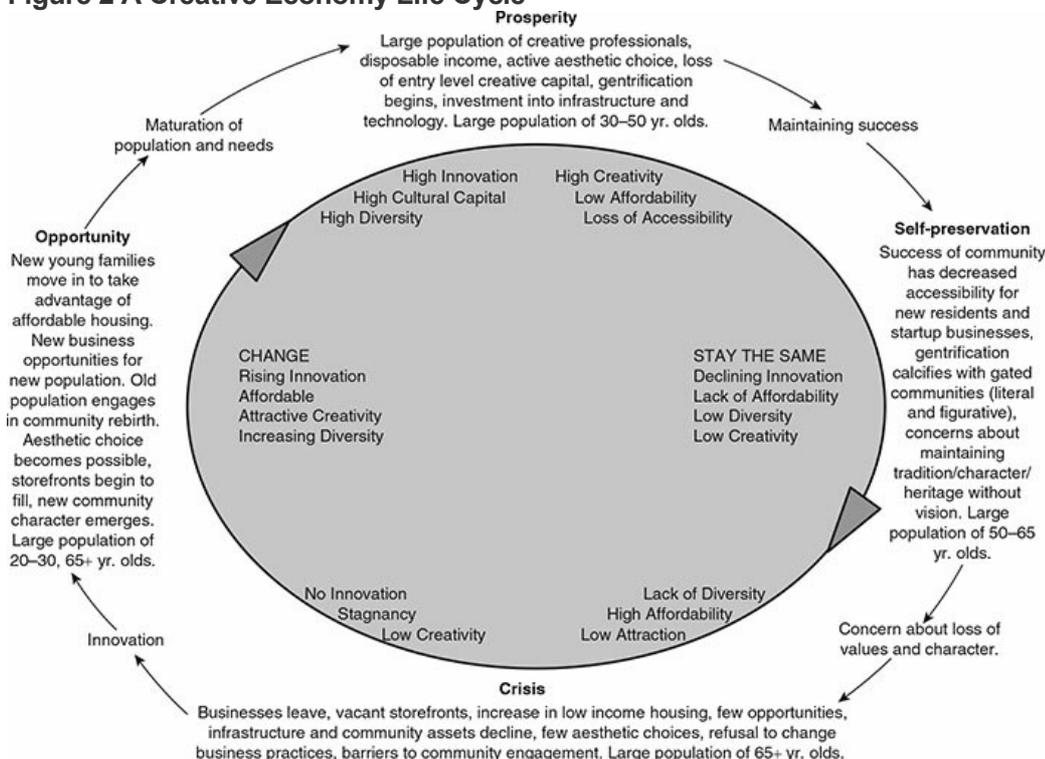
**Prosperity**

A *prosperous* community is one that feels vibrant and rich with experiences and possibility. It is a diverse community that contains a wide range of ages but is particularly focused on young adult community members, the new innovations, and the creative inspirations that influence others. There is a relatively rapid turnover of entrepreneurial experiments, successes, and failures.

**Self-Preservation**

After a period of prosperity, community members can become more interested in preserving what they have rather than continuing to change, and the excitement and risk taking associated with prosperity begins to slide toward *self-preservation*. Rather than maintaining diversity, the concern is more about homogeneity, ensuring that the things that people have come to value stay the same. There are official and unofficial gated communities that ensure good public schools (or private school alternatives) for a specific demographic of children. There are business districts that enforce uniformity to downtowns and commercial zones.

**Figure 2 A Creative Economy Life Cycle**



Source: From Hwang, L. (2016). *Rethinking the Creative Economy: Participatory Action*

*Research With Artists and Artisans in the Greater Franklin County* (Unpublished doctoral dissertation). University of Massachusetts–Amherst. Retrieved from [http://scholarworks.umass.edu/dissertations\\_2/578](http://scholarworks.umass.edu/dissertations_2/578)

Increasingly, tax revenues are prioritized to pay for the amenities that the community has come to value and demand, whether that is a greater police presence, road maintenance, or better schools. All the things people value and fear losing become a subject for enclosure. The cost of living rises to meet the desires of increasingly affluent citizens, and eventually, the very kinds of people who enabled the community to become prosperous are now priced out of the region. In addition, many of the earlier innovative or unique storefronts are replaced with more profitable businesses that can meet the higher rent costs.

A community in this stage is often driven by people in midlife to retirement age where there are initially children to protect, family-friendly values, and a greater concern with material items, whether that is restaurant quality or designer fashions. As the largely homogeneous population moves toward retirement, the high taxes that used to fund schools and other amenities become a concern. The concern for safety, convenience, and familiarity are the main drivers of the community. Anything that violates the established norm is an intrusion. The bars for accessibility in the community for new residents are purposely or unintentionally set very high.

### **Crisis**

As the movement toward self-preservation ages, what once ensured the continuation of an idealized vision of community ensures its movement into *crisis*. The crisis period is what happens when self-preservation has gone awry, and even when there is little to preserve, the driving concern is to protect what remains of what was once prosperous.

The loss of a sense of possibility for the creative core, as well as aging of the community infrastructure, creates a vacuum that manifests in empty storefronts and vacant houses, underfunded public school systems, and often, drug and alcohol issues because of the lack of opportunity for its residents. Oftentimes, the crisis period is marked by little civic engagement from an older population or a population focused more on its own needs. The community has little ability to maintain infrastructure, and key infrastructure elements fall into disrepair.

### **Opportunity**

Sometimes, the crisis stage gives birth to a new sense of possibility if a varied combination of conditions is just right. The storefront availability is high, and the cost of housing is low. Resistance to change or innovation is weak or has dissipated, there is a group of people to create a sense of community, and there is potential to create the conditions for the *opportunity* stage to occur. Once again, innovations inspire other innovations, and possibility is not merely perceived; it is witnessed at multiple levels in the community, on Main Street, in community parks, and particularly for artists and artisans, in studios and performance spaces.

In an opportunity stage, an older population works with a younger population in a symbiotic coordination. The older population has the experience, knowledge, and often the physical assets of buildings or financial ability, and the younger population brings new ideas, a sense of vitality, and a vision filled with possibility.

## Using Life Cycles for Planning

In a simplified world, every community would cycle through these stages at some predictable span of time; like the arc of human development, however, that is clearly not the case. There are prolonged periods of self-preservation and crisis, just as there are long and short examples of opportunity and stages of prosperity. The desire of community developers is to control this developmental cycle, and if enough of the right conditions can be manipulated, then perhaps a crisis stage can be moved to an opportunity stage and eventually moved to a prosperous stage.

For both Butler's tourism area cycle of evolution and this creative economy life cycle, if one recognizes the life cycle pattern, there may be opportunities to create interventions that could forestall what can seem like an inevitable path toward entropy. For both cycles, recognizing the existing resources and enacting tactics for conservation and preservation are key to forestalling crisis. Once a community finds itself in a cycle of self-preservation, stagnation, crisis, or decline, if there is enough self-awareness, it can endeavor to highlight and strengthen the neglected assets and reinvigorate a sense of possibility and creativity that may otherwise be unrecognized or neglected.

Intervention depends on the collaboration of community members with community leaders and development planners to look beyond the immediate returns of a profit-based focus and instead work to strengthen and retain the aspects of place that make a location unique. By working from an asset-based perspective, a community can move from being a passive victim of change to becoming an active participant in guiding how change affects a city, town, or village. Ideally, a focus on a community's well-being occurs where possibility can emerge from existing assets and a community can actively choose to fortify a sense of place and bolster the quality of life, thereby strengthening tourist attraction and tourism or creative economy from a sustainable perspective that recognizes and values change.

*Leo Hwang*

**See also** [Authenticity](#); [Big Data and Tourism](#); [Carrying Capacity: Environmental](#); [Carrying Capacity: Sociocultural](#); [Economics of Tourism](#); [Environmental Impacts of Tourism](#); [Rural Planning and Development for Tourism](#); [Sustainable Development](#); [Tourism Development](#); [Urban Planning and Development for Tourism](#); [Volatility of Tourism](#)

## Further Readings

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- tourism
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- cycles
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