

Article

Quality Tourism Supply and Destination Competitiveness: The Sequential Mediating Roles of Local Resource Integration and Authenticity

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Abstract

This study investigates how quality tourism supply contributes to destination competitiveness through the sequential mediating roles of local resource integration and perceived authenticity within a sustainability-oriented tourism framework. Building upon the Resource-Based View and destination competitiveness theory, the study proposes and empirically tests a sequential mediation model in which local resource integration and perceived authenticity explain the mechanisms through which quality tourism supply contributes to destination competitiveness. Data were collected through a survey of 430 tourism stakeholders, including representatives of hotels, restaurants, tourism boards, travel agencies, rural tourism enterprises, and local producers. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) implemented in SmartPLS 4. The findings indicate that quality tourism supply positively influences local resource integration and destination competitiveness, while local resource integration significantly enhances perceived authenticity. Perceived authenticity, in turn, positively affects destination competitiveness. The results also confirm significant individual and sequential mediation effects, demonstrating that tourism quality generates stronger competitive advantages when destinations effectively integrate local resources and foster authentic tourism experiences. The proposed model demonstrated substantial explanatory power, explaining 45.9% of the variance in local resource integration ($R^2 = 0.459$), 50.7% of the variance in perceived authenticity ($R^2 = 0.507$), and 63.1% of the variance in destination competitiveness ($R^2 = 0.631$). The study contributes to the destination competitiveness literature by introducing local resource integration as a strategic mediating construct and by integrating quality, authenticity, and competitiveness within a unified analytical framework. The findings provide theoretical contributions to destination competitiveness research and practical implications for destination managers and policymakers seeking to promote sustainable and competitive tourism development through place-based and community-oriented approaches.



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1. Introduction

Tourism destinations operate in an increasingly complex and competitive environment shaped by changing tourist preferences, sustainability requirements, digital transformation, and growing expectations regarding the quality of tourism experiences. Modern tourism

development extends beyond the traditional provision of accommodation, transportation, and attractions, placing greater emphasis on the creation of integrated, high-quality, and distinctive tourism offerings. Accordingly, destination competitiveness has become one of the most extensively discussed concepts in tourism research, reflecting the ability of destinations to attract visitors, generate economic benefits, improve residents' well-being, and maintain long-term sustainable development (Dwyer, 2022, 2025). Recent studies indicate that destination competitiveness is increasingly influenced by qualitative factors, including service quality, innovation, authenticity, sustainability practices, and stakeholder collaboration rather than solely by physical infrastructure and tourism capacity (Barrera-Martínez et al., 2025; Khelashvili & Okroshidze, 2025).

In parallel with the growing importance of destination competitiveness, the concept of quality tourism supply has attracted increasing academic and managerial attention. Tourism supply quality encompasses the overall capacity of destinations to deliver high-quality services, products, experiences, facilities, and supporting infrastructure that satisfy the expectations of visitors and contribute to destination differentiation. Previous research demonstrates that quality-oriented tourism supply positively affects visitor satisfaction, destination image, perceived value, and competitive performance (He et al., 2024; Veilleux & Sarrasin, 2025). Furthermore, Marinac and Pisker (2026) identify quality-oriented tourism supply as a significant determinant of destination competitiveness in developing economies, emphasizing its strategic role in creating sustainable competitive advantages in tourism markets.

Despite the growing body of literature examining destination competitiveness and tourism quality, existing research predominantly focuses on direct relationships between tourism resources, service quality, destination image, and competitive performance. Comparatively less attention has been devoted to understanding the mechanisms through which quality tourism supply contributes to destination competitiveness. In particular, limited empirical evidence explains how the integration of local resources and the perception of authenticity jointly transform quality-oriented tourism supply into a source of competitive advantage. This limitation is especially relevant for rural and sustainable tourism destinations, where local products, cultural heritage, community participation, and place-based experiences increasingly represent critical elements of destination differentiation and value creation (Tang & Xu, 2023; Kusumastuti et al., 2024; Turčinović et al., 2025).

The increasing importance of sustainability-oriented tourism development has further strengthened the role of local resources in shaping destination competitiveness. Current tourism destinations increasingly rely on the integration of local products, cultural heritage, gastronomy, traditional knowledge, local suppliers, and community participation to create unique tourism experiences that cannot be easily replicated by competing destinations. The effective integration of local resources contributes not only to economic development through local value creation and stakeholder cooperation but also to the preservation of cultural identity and destination distinctiveness (Pfammatter et al., 2024; Kusumastuti et al., 2024). Recent studies emphasize that destinations capable of leveraging local resources through collaborative networks and community-based approaches achieve higher levels of sustainability, resilience, and market differentiation (Maziliauskė, 2024; Turčinović et al., 2025). Accordingly, local resource integration represents an increasingly important mechanism through which tourism destinations transform available resources into competitive advantages.

At the same time, the growing demand for meaningful and experience-based travel has increased the importance of perceived authenticity in tourism research. Modern tourists increasingly seek authentic experiences that reflect local culture, traditions, heritage, gastronomy, and everyday life. Authenticity has therefore emerged as a critical determinant of

visitor satisfaction, emotional attachment, destination image, and behavioural intentions (Dong et al., 2023; Uslu et al., 2024). Previous studies demonstrate that destinations perceived as authentic are more likely to generate positive visitor experiences, stronger place attachment, and greater destination loyalty (Qiu et al., 2025; Wareebor et al., 2025). Moreover, authenticity functions as a strategic differentiating factor, particularly in rural and sustainable tourism destinations where local identity and cultural uniqueness constitute essential tourism assets.

Although previous research separately confirms the importance of tourism quality, local resources, authenticity, and destination competitiveness, empirical studies rarely examine these constructs within a unified theoretical framework. Existing studies primarily investigate direct relationships between tourism quality and competitiveness or between authenticity and tourist behaviour, while limited attention has been given to the sequential processes through which quality-oriented tourism supply contributes to destination competitiveness. Specifically, insufficient empirical evidence explains whether local resource integration enhances perceptions of authenticity and whether this process subsequently strengthens destination competitiveness. This gap is particularly evident in destinations seeking sustainable and inclusive development strategies based on local resources and high-quality tourism offerings.

Against this background, this study examines the relationships between quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness. Building upon the Resource-Based View (Porter, 2000), destination competitiveness theory (Ritchie & Crouch, 1999; Dwyer, 2026), and contemporary sustainability-oriented tourism research, the study proposes and empirically tests a sequential mediation model in which local resource integration and perceived authenticity explain the mechanism through which quality tourism supply contributes to destination competitiveness. By integrating these constructs into a single analytical framework, the study provides a more comprehensive understanding of the processes that transform tourism quality into sustainable competitive advantages.

1.1. Research Questions

Based on the identified research gap and the proposed conceptual framework, this study addresses the following research questions:

- RQ1.** Does quality tourism supply significantly influence destination competitiveness?
- RQ2.** Does local resource integration mediate the relationship between quality tourism supply and destination competitiveness?
- RQ3.** Does perceived authenticity mediate the relationship between local resource integration and destination competitiveness?
- RQ4.** Do local resource integration and perceived authenticity jointly form a sequential mediation mechanism linking quality tourism supply with destination competitiveness?

1.2. Research Contributions

The theoretical and practical contributions of this study are summarized below. Unlike previous studies that mainly examined isolated relationships among tourism quality, authenticity, or destination competitiveness, this study proposes and validates a sequential mediation mechanism linking these constructs within a unified sustainability-oriented framework.

This research advances the tourism and destination competitiveness literature in four important ways. First, it develops and empirically validates an integrated conceptual model linking quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness within a single structural framework. Second, it extends destination competitiveness theory by demonstrating that local resource integration and

perceived authenticity function as sequential mediators through which quality tourism supply enhances destination competitiveness. Third, the study contributes methodologically by applying Partial Least Squares Structural Equation Modelling (PLS-SEM) to examine complex indirect relationships using data collected from a broad range of tourism stakeholders.

From a practical perspective, the findings provide valuable insights for destination management organizations, tourism policymakers, local authorities, tourism enterprises, and community stakeholders. Such strategies are particularly relevant for destinations seeking to strengthen their competitive position while preserving local identity and promoting sustainable tourism development.

Recent scholarship further emphasizes that sustainable tourism development depends on a better understanding of the interconnections between tourism growth, well-being, and the management of different forms of capital that support long-term destination resilience (Dwyer, 2023).

This research was conducted within the framework of the project “Enhancing Destination Competitiveness” (KOTUR 581-UNIOS-43), funded by the European Union—NextGenerationEU. The project emphasizes the importance of tourism supply quality as a driver of destination competitiveness and sustainable tourism development. In this context, the study contributes empirical evidence on the mechanisms through which high-quality tourism offerings generate competitive advantages in present-day tourism destinations.

The remainder of the paper is organized as follows. The next section reviews the relevant literature and theoretical foundations concerning quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness. Subsequently, the research gap and hypotheses are developed, followed by the presentation of the conceptual model and methodology. The empirical results are then reported and discussed. Finally, theoretical and practical implications are presented, and concluding remarks are provided.

2. Literature Review and Theoretical Foundations

2.1. Quality Tourism Supply

The concept of tourism supply has traditionally referred to the collection of products, services, attractions, infrastructure, facilities, and supporting resources that enable tourism activities within a destination. However, today’s tourism industry development increasingly emphasizes not only the availability of tourism resources but also their quality, integration, sustainability, and capacity to create meaningful visitor experiences. As tourism markets become more competitive and visitor expectations continue to evolve, the quality of tourism supply has emerged as a critical determinant of destination performance and long-term competitiveness (He et al., 2024).

Quality tourism supply encompasses a broad set of destination attributes, including accommodation quality, food and beverage services, transportation infrastructure, visitor attractions, destination management, environmental quality, cultural resources, and service excellence. Rather than representing a single tourism product, quality tourism supply reflects the overall ability of a destination to deliver consistent, valuable, and satisfying experiences to visitors. In this context, tourism quality extends beyond technical service performance and includes experiential, environmental, social, and cultural dimensions that collectively influence visitor perceptions and destination attractiveness (Veilleux & Sarrasin, 2025).

Recent tourism research increasingly associates quality tourism development with sustainability-oriented growth strategies. He et al. (2024) argue that high-quality tourism development requires the balanced integration of economic performance, environmental protection, social well-being, and destination governance. Similarly, Wang et al. (2022)

emphasize that tourism supply quality depends on effective coordination among tourism stakeholders, service providers, and destination management organizations. These findings suggest that quality tourism supply is not solely determined by individual tourism enterprises but emerges from the collective performance of multiple actors operating within a destination system.

The growing importance of quality tourism supply is particularly evident in destinations seeking to differentiate themselves in increasingly saturated tourism markets. Traditional sources of competitive advantage, such as natural attractions or geographic location, are often insufficient to ensure long-term competitiveness. Hence, destinations increasingly compete through the quality of experiences offered to visitors, the reliability of tourism services, and the ability to create distinctive value propositions (Azmi et al., 2023). High-quality tourism supply contributes to destination image enhancement, visitor satisfaction, positive word-of-mouth communication, and repeat visitation, all of which strengthen destination competitiveness.

Recent bibliometric evidence further confirms the growing interdependence between destination competitiveness, tourism quality, destination image, and tourist satisfaction, indicating that these concepts increasingly form an integrated framework for understanding sustainable tourism development (Pereira et al., 2025).

Recent empirical evidence further supports the strategic role of tourism supply quality in destination development (He et al., 2024; Veilleux & Sarrasin, 2025). Marinac and Pisker (2026) demonstrate that quality-oriented tourism supply significantly contributes to destination competitiveness in developing economies. Their findings indicate that destinations capable of continuously improving the quality of tourism products and services achieve stronger market positioning and greater competitive advantages. Similar conclusions are reported by Li et al. (2024), who emphasize the importance of aligning tourism supply structures with visitor expectations and environmental considerations to achieve sustainable tourism development outcomes.

Within the context of the research, quality tourism supply is conceptualized as the overall capability of a destination to provide high-quality tourism products, services, infrastructure, attractions, and experiences that satisfy visitor expectations while supporting sustainable destination development. This perspective is consistent with contemporary tourism research that views quality as a multidimensional and strategic destination resource capable of generating long-term competitive advantages. Thus, quality tourism supply is positioned as the primary antecedent in the proposed conceptual model, influencing destination competitiveness both directly and indirectly through local resource integration and perceived authenticity.

2.2. Local Resource Integration

The increasing emphasis on sustainable tourism development has strengthened academic and practical interest in the role of local resources within destination management. Contemporary tourism destinations are increasingly expected to generate economic benefits while simultaneously preserving cultural heritage, supporting local communities, protecting environmental resources, and maintaining destination identity. Within this context, local resource integration has emerged as an important mechanism for creating tourism experiences that are both economically valuable and socially sustainable (Kusumastuti et al., 2024; Turčinović et al., 2025).

Local resources encompass a wide range of tangible and intangible destination assets, including local products, gastronomy, cultural heritage, traditions, natural resources, local knowledge, community participation, and local business networks. While the existence of such resources is important, their contribution to destination development largely depends

on the extent to which they are effectively integrated into tourism products, services, and visitor experiences. As a result, the strategic challenge for destination managers is not merely the preservation of local resources but their successful incorporation into tourism supply systems that create value for visitors and local stakeholders alike (Tang & Xu, 2023).

Lane et al. (2022) further emphasize that sustainable rural tourism development depends on the preservation of local identity, community participation, and the effective integration of local resources into tourism value creation processes, reinforcing the strategic importance of locally embedded development mode.

From a theoretical perspective, the importance of local resource integration can be explained through the Resource-Based View (RBV), which argues that unique, valuable, and difficult-to-imitate resources constitute the foundation of sustainable competitive advantage (Porter, 2000). Applied to tourism destinations, local cultural assets, traditional practices, local food systems, community knowledge, and place-specific characteristics represent strategic resources that differentiate destinations from competitors. However, competitive advantages do not emerge automatically from the existence of resources. Instead, value creation depends on the destination's ability to integrate and utilize these resources within tourism experiences and development strategies (Ritchie & Crouch, 1999).

Recent empirical studies support the growing significance of local resource integration in tourism development. Pfammatter et al. (2024) demonstrate that collaboration and resource sharing between tourism enterprises and local partners create mutual benefits and strengthen destination value creation processes. Similarly, Kusumastuti et al. (2024) emphasize the importance of leveraging local values and community assets in sustainable tourism destinations, while Turčinović et al. (2025) show that community-led tourism initiatives contribute to destination competitiveness through local empowerment and stakeholder engagement. These findings suggest that the integration of local resources enhances both the economic and social dimensions of destination development.

Local resource integration is also closely associated with destination authenticity. By incorporating local products, traditions, cultural practices, and community participation into tourism offerings, destinations create experiences that visitors perceive as genuine and distinctive. Research indicates that tourists increasingly value encounters with local culture, authentic gastronomy, and place-specific experiences that reflect the unique identity of destinations (Tang & Xu, 2023; Maziliauskė, 2024). Accordingly, destinations that effectively integrate local resources are better positioned to strengthen perceptions of authenticity and differentiate themselves within competitive tourism markets.

In addition to supporting authenticity, local resource integration contributes to sustainable destination development through the creation of local value chains and stronger stakeholder collaboration. Blackstock et al. (2025) argue that sustainable value chains facilitate the retention of economic benefits within local communities and improve destination resilience. Likewise, da Silva et al. (2025) highlight the role of local food systems and collaborative governance in strengthening socio-ecological sustainability. These perspectives suggest that local resource integration generates benefits that extend beyond tourism performance by supporting broader regional development objectives.

Beyond their direct economic contribution, integrated local resources strengthen destination adaptability and long-term resilience. Close cooperation among tourism enterprises, local producers, cultural institutions, and community organizations facilitates knowledge exchange, stimulates innovation, and improves the capacity of destinations to respond to changing market conditions. Such collaborative networks contribute not only to visitor satisfaction but also to more balanced regional development and sustainable destination governance.

Recent studies further emphasize that sustainable tourism development increasingly depends on locally embedded value chains, collaborative governance, and community participation. [Blackstock et al. \(2025\)](#) demonstrate that local value chains contribute to destination resilience and regional sustainability, while [da Silva et al. \(2025\)](#) highlight the role of local food systems and co-management practices in strengthening socio-ecological resilience. Similar findings are reported by [Ivona \(2021\)](#) and [Chan et al. \(2021\)](#), who argue that community engagement and local participation represent essential components of sustainable destination development.

Within the context of the present study, local resource integration is defined as the extent to which destinations incorporate local products, cultural heritage, local suppliers, community participation, and place-based resources into tourism offerings and destination development processes. This multidimensional perspective reflects contemporary sustainability-oriented approaches to tourism management and positions local resource integration as a strategic mechanism linking quality tourism supply with perceived authenticity and destination competitiveness.

2.3. Perceived Authenticity

Authenticity has become one of the most influential concepts in contemporary tourism research due to the growing demand for meaningful, memorable, and place-specific tourism experiences. As tourism markets become increasingly standardized and globalized, tourists demonstrate a stronger preference for destinations that offer unique cultural, social, and environmental characteristics reflecting local identity and heritage. Consequently, authenticity has emerged as a critical factor influencing tourist perceptions, destination attractiveness, satisfaction, loyalty, and overall destination performance ([Dong et al., 2023](#)).

The concept of authenticity in tourism extends beyond the objective characteristics of attractions and encompasses tourists' subjective perceptions regarding the genuineness of experiences, products, places, and interactions. Contemporary tourism literature recognizes authenticity as a multidimensional construct that may derive from cultural heritage, local traditions, gastronomy, architecture, social interactions, and everyday life experiences within destinations. From this perspective, authenticity is not solely determined by the existence of local resources but also by how these resources are presented, interpreted, and integrated into tourism experiences ([Cong et al., 2022](#)).

Previous studies indicate that perceived authenticity significantly influences tourists' emotional responses and behavioural outcomes. Authentic experiences contribute to stronger place attachment, greater visitor satisfaction, enhanced destination image, and positive word-of-mouth communication ([Qiu et al., 2025](#)). Similarly, [Uslu et al. \(2024\)](#) demonstrate that authenticity plays a central role in shaping experience quality in heritage destinations, suggesting that tourists increasingly value destinations that preserve and communicate their unique cultural and historical characteristics. These findings highlight the strategic importance of authenticity as a source of differentiation in highly competitive tourism markets.

The relationship between local resource integration and authenticity has attracted growing scholarly attention in recent years. Destinations that successfully integrate local products, traditional practices, cultural heritage, local gastronomy, and community participation into tourism offerings create experiences that visitors perceive as more authentic and distinctive. [Tang and Xu \(2023\)](#) argue that cultural integration represents a fundamental mechanism through which tourism destinations preserve local identity while simultaneously enhancing tourism development. Likewise, [Wareebor et al. \(2025\)](#) demonstrate that authenticity positively influences tourists' behavioural intentions in lo-

cal restaurant settings, emphasizing the importance of local cultural elements in shaping visitor perceptions.

Authenticity also contributes to destination competitiveness by enhancing the uniqueness and market positioning of tourism destinations. Unlike infrastructure or accommodation capacity, authenticity is difficult for competing destinations to imitate because it is deeply rooted in local culture, traditions, and social contexts. Therefore, authenticity constitutes an important intangible resource that strengthens destination differentiation and competitive advantage. Kovačić et al. (2023) show that perceived authenticity significantly influences tourists' perceived value and motivation to visit heritage destinations, while Dong et al. (2023) identify authenticity as a key determinant of destination perception in digital tourism environments. These findings suggest that authenticity not only improves visitor experiences but also contributes to the broader competitive performance of destinations.

From a sustainability perspective, authenticity represents an important mechanism for balancing tourism development with the preservation of local identity and cultural heritage. Destinations that maintain authentic tourism experiences are often better positioned to support community participation, preserve cultural resources, and promote sustainable forms of tourism development. This perspective aligns with contemporary destination management approaches that emphasize local distinctiveness, stakeholder engagement, and place-based development strategies as foundations of long-term competitiveness.

Within the context of the analysis, perceived authenticity is defined as tourists' perceptions that tourism experiences, products, services, cultural elements, and interactions genuinely reflect the identity, traditions, heritage, and unique characteristics of a destination. Building upon previous research, authenticity is positioned as a mediating construct through which local resource integration contributes to destination competitiveness. Accordingly, destinations that effectively integrate local resources into tourism offerings are expected to generate stronger perceptions of authenticity, which in turn enhance destination competitiveness.

2.4. Destination Competitiveness

Destination competitiveness represents one of the most extensively studied concepts in tourism research and has become a central objective of tourism planning and destination management. As tourism destinations increasingly compete for visitors, investments, talent, and market recognition, understanding the determinants of competitiveness has gained significant academic and practical importance. Although numerous definitions of destination competitiveness have been proposed, most perspectives emphasize the ability of destinations to attract and satisfy visitors, generate economic benefits, enhance residents' well-being, and achieve sustainable development outcomes while maintaining their position relative to competing destinations (Ritchie & Crouch, 1999; Dwyer, 2022).

Building upon earlier destination competitiveness frameworks, Crouch and Ritchie (2012) argue that competitive destinations ultimately contribute to the quality of life and well-being of host communities, highlighting the broader societal implications of sustainable tourism development.

The foundations of destination competitiveness theory are largely associated with the work of Ritchie and Crouch (1999), who conceptualized competitiveness as a multidimensional phenomenon influenced by core resources and attractors, supporting factors, destination management, policy frameworks, and qualifying determinants. Their framework emphasizes that competitiveness extends beyond tourism demand and incorporates the effective utilization of destination resources to create superior visitor experiences and societal prosperity. Similarly, Dwyer (2025) argues that destination competitiveness is

closely associated with the ability of destinations to transform available resources into sustainable competitive advantages that support both tourism performance and broader socio-economic development.

Contemporary research suggests that destination competitiveness increasingly depends on intangible and experience-based factors rather than solely on traditional tourism infrastructure and physical attractions. [Barrera-Martínez et al. \(2025\)](#) demonstrate that tourist spending and destination competitiveness are strongly influenced by qualitative destination attributes that shape visitor experiences and perceptions. Recent empirical evidence further suggests that residents' perceptions represent an important dimension of destination competitiveness, particularly in developing economies ([Kovačić et al., 2024](#)).

Likewise, [Khelashvili and Okroshidze \(2025\)](#) emphasize that competitiveness emerges from the interaction between destination resources, management practices, service quality, and destination image. These findings indicate that destinations can no longer rely exclusively on natural attractions or geographic advantages but must continuously develop value-creating mechanisms that strengthen their competitive position.

Contemporary destination competitiveness increasingly reflects the ability of destinations to coordinate diverse stakeholders around shared strategic objectives. Effective governance mechanisms facilitate cooperation among tourism enterprises, local authorities, and community organizations, enabling destinations to create integrated tourism products, strengthen local value chains, and enhance their long-term market resilience.

The growing importance of sustainability has further transformed the understanding of destination competitiveness. Recent studies highlight that long-term competitiveness increasingly depends on the ability of destinations to balance economic growth with environmental protection, social inclusion, cultural preservation, and community well-being ([Ahn & Bessiere, 2023](#); [Turčinović et al., 2025](#)). Consequently, competitiveness is no longer assessed solely through tourism arrivals or economic indicators but also through the capacity of destinations to maintain resilience, sustainability, and stakeholder support over time.

Within this evolving context, quality tourism supply has emerged as an important determinant of destination competitiveness. Destinations characterized by high-quality tourism products, reliable services, attractive visitor experiences, and effective destination management are generally better positioned to attract tourists and achieve superior market performance ([He et al., 2024](#); [Marinac & Pisker, 2026](#)). However, recent tourism research increasingly suggests that the relationship between tourism quality and competitiveness is not purely direct. Instead, competitiveness often depends on the destination's ability to integrate local resources, create authentic experiences, and generate unique value propositions that differentiate the destination from its competitors.

Authenticity and local resource integration are particularly relevant because they represent destination-specific assets that are difficult to imitate. Unlike standardized tourism products, authentic experiences rooted in local culture, traditions, gastronomy, and community participation contribute to destination uniqueness and strengthen competitive differentiation ([Dong et al., 2023](#); [Qiu et al., 2025](#)). Similarly, the effective integration of local resources enhances destination identity, supports local economic development, and reinforces sustainable tourism practices, thereby contributing to long-term competitiveness ([Pfammatter et al., 2024](#); [Kusumastuti et al., 2024](#)).

Within the context of this study, destination competitiveness is defined as the ability of a tourism destination to create and sustain competitive advantages by delivering high-quality tourism experiences, effectively integrating local resources, fostering authentic visitor experiences, and generating economic, social, and environmental value. This perspective reflects contemporary sustainability-oriented approaches to destination

management and positions competitiveness as the ultimate outcome of the relationships examined in the proposed conceptual model.

Contemporary research also indicates that digital technologies and environmental responsibility increasingly shape destination competitiveness. Maráková et al. (2025) demonstrate that digital transformation contributes to the competitive performance of tourism destinations within the European Union, while Dzurov Vargová (2026) emphasizes the complementary role of environmental responsibility and destination quality in developing economies. Similar conclusions are reported by Hulu and Juliana (2026), who identify destination competitiveness as a mediating mechanism linking digitalization and innovation perceptions with behavioural outcomes.

Overall, the study contributes to the growing body of knowledge on integrated and sustainability-oriented destination competitiveness models by simultaneously incorporating tourism quality, local resource integration, authenticity, and collaborative governance. More importantly, it advances destination competitiveness theory by demonstrating that sustainable competitive advantages increasingly emerge through integrated destination governance, local resource integration, and authenticity-based value creation rather than through tourism quality alone.

3. Research Gap and Hypothesis Development

3.1. Identification of the Research Gap

Destination competitiveness remains one of the most extensively investigated topics in tourism research due to its relevance for destination management, policy development, and sustainable tourism planning. Existing studies have identified numerous determinants of destination competitiveness, including tourism infrastructure, destination image, service quality, innovation, sustainability practices, governance, and visitor satisfaction (Dwyer, 2022; Barrera-Martínez et al., 2025; Khelashvili & Okroshidze, 2025). More recently, research has increasingly emphasized the importance of intangible destination resources, experiential value creation, and stakeholder collaboration as drivers of competitive advantage in tourism destinations (Ahn & Bessiere, 2023; Dwyer, 2026).

At the same time, the literature on tourism quality has expanded considerably. Previous studies demonstrate that high-quality tourism supply positively influences visitor satisfaction, destination image, loyalty, and overall destination performance (He et al., 2024; Veilleux & Sarrasin, 2025). Furthermore, Marinac and Pisker (2026) identify quality-oriented tourism supply as an important determinant of destination competitiveness in developing economies. These findings confirm the strategic importance of tourism quality in contemporary destination management. However, most existing studies focus primarily on direct relationships between tourism quality and destination outcomes, providing limited insight into the mechanisms through which tourism quality contributes to competitive advantage.

Recent tourism research also highlights the growing importance of local resources in achieving sustainable destination development. Studies emphasize the contribution of local products, cultural heritage, community participation, local suppliers, and place-based assets to tourism value creation and destination differentiation (Pfammatter et al., 2024; Kusumastuti et al., 2024; Turčinović et al., 2025). Nevertheless, local resource integration is most often examined within the contexts of rural tourism, community-based tourism, sustainability, or regional development. Comparatively little attention has been devoted to its role as a mediating mechanism connecting tourism supply quality and destination competitiveness.

Similarly, authenticity has emerged as a major theme in tourism research. Previous studies demonstrate that perceived authenticity influences visitor satisfaction, place attachment, perceived value, behavioural intentions, and destination image (Dong et al., 2023; Uslu et al., 2024; Qiu et al., 2025). Despite the substantial body of authenticity research, most empirical studies focus on authenticity as an outcome of cultural experiences or as a predictor of tourist behaviour. Limited research examines authenticity as an intermediate mechanism through which destination resources and tourism offerings generate competitive advantages.

Furthermore, relatively little empirical research simultaneously examines quality tourism supply, local resource integration, authenticity, and destination competitiveness within a single structural model. Existing studies generally investigate only selected bilateral relationships, leaving the broader causal mechanisms insufficiently explored.

A review of the contemporary literature therefore reveals three important gaps. First, relatively few studies examine quality tourism supply as a strategic antecedent of destination competitiveness within an integrated destination management framework. Second, insufficient attention has been devoted to the role of local resource integration as a mechanism through which tourism quality creates destination value. Third, existing research rarely investigates the sequential relationship between local resource integration, perceived authenticity, and destination competitiveness. Based on the reviewed literature, no previous empirical study has tested a sequential mediation model linking quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness within a unified framework.

Addressing these gaps is particularly important in the context of sustainable tourism development. Contemporary destinations increasingly seek to enhance competitiveness while simultaneously preserving local identity, strengthening local economies, supporting community participation, and delivering authentic visitor experiences. Understanding how quality tourism supply contributes to these outcomes through local resource integration and authenticity may therefore provide both theoretical and practical insights for destination management. As a result, the present study develops and empirically tests a sequential mediation model in which local resource integration and perceived authenticity explain the relationship between quality tourism supply and destination competitiveness.

3.2. Hypothesis Development

3.2.1. Quality Tourism Supply and Local Resource Integration

Quality tourism supply represents a multidimensional construct encompassing tourism services, infrastructure, attractions, destination management practices, and overall visitor experience quality. Contemporary tourism destinations increasingly seek to improve the quality of tourism offerings not only through service excellence but also through the incorporation of local products, cultural resources, and community-based experiences. High-quality tourism supply therefore requires the effective utilization of destination-specific resources capable of generating distinctive visitor experiences and enhancing destination value creation (He et al., 2024; Veilleux & Sarrasin, 2025).

Recent studies indicate that destinations emphasizing sustainability and quality-oriented development strategies increasingly rely on local suppliers, local gastronomy, cultural heritage, and community participation as essential components of tourism offerings (Kusumastuti et al., 2024; Turčinović et al., 2025). Similarly, Pfammatter et al. (2024) demonstrate that collaboration with local partners strengthens tourism value creation processes and contributes to more integrated destination development. Accordingly, destinations characterized by higher levels of tourism supply quality are expected to exhibit stronger integration of local resources within tourism products and services.

H1. *Quality tourism supply positively influences local resource integration.*

3.2.2. Local Resource Integration and Perceived Authenticity

Authenticity constitutes one of the most important dimensions of contemporary tourism experiences. Tourists increasingly seek destinations that offer genuine cultural encounters, local traditions, authentic gastronomy, and meaningful interactions with local communities (Dong et al., 2023; Wareebor et al., 2025). However, authenticity does not emerge solely from the existence of local resources; rather, it depends on how effectively these resources are integrated into tourism experiences and destination offerings.

Previous research suggests that destinations that successfully incorporate local culture, heritage, traditions, and locally produced goods into tourism products generate stronger perceptions of authenticity among visitors (Tang & Xu, 2023; Cong et al., 2022). Local resource integration enables tourists to engage with destination-specific attributes that are difficult to replicate elsewhere, thereby strengthening perceptions of uniqueness and genuineness. Therefore, higher levels of local resource integration are expected to enhance tourists' perceptions of destination authenticity.

H2. *Local resource integration positively influences perceived authenticity.*

3.2.3. Perceived Authenticity and Destination Competitiveness

Perceived authenticity has become an important determinant of destination success due to its influence on visitor satisfaction, destination image, loyalty, and behavioural intentions. Destinations perceived as authentic are often viewed as more attractive, memorable, and distinctive than competing destinations (Qiu et al., 2025; Uslu et al., 2024).

Authenticity also contributes to destination competitiveness by creating intangible advantages that are difficult for competitors to imitate. Cultural identity, traditions, local gastronomy, and place-based experiences strengthen destination differentiation and support long-term competitive positioning (Kovačić et al., 2023). As tourism markets become increasingly standardized, authenticity serves as a critical source of destination uniqueness and market attractiveness. Thus, stronger perceptions of authenticity are expected to enhance destination competitiveness.

H3. *Perceived authenticity positively influences destination competitiveness.*

3.2.4. Quality Tourism Supply and Destination Competitiveness

The relationship between tourism quality and destination competitiveness is well established within tourism research. High-quality tourism products and services contribute to visitor satisfaction, positive destination image, repeat visitation, and favourable market positioning (He et al., 2024). Moreover, quality tourism supply improves the ability of destinations to meet evolving tourist expectations and adapt to changing market conditions.

Empirical evidence indicates that destinations characterized by superior tourism quality achieve higher levels of competitive performance and destination attractiveness (Marinac & Pisker, 2026). Therefore, quality tourism supply is expected to directly contribute to destination competitiveness.

H4. *Quality tourism supply positively influences destination competitiveness.*

3.2.5. The Mediating Role of Local Resource Integration

While tourism quality contributes to destination competitiveness, recent tourism research suggests that competitive advantages are often generated through intermediate destination processes rather than through direct effects alone. Local resource integration

enables destinations to transform tourism quality into locally embedded value creation mechanisms by incorporating local products, suppliers, cultural resources, and community participation into tourism offerings (Pfammatter et al., 2024; Kusumastuti et al., 2024).

As a result, destinations characterized by higher-quality tourism supply are expected to achieve stronger competitiveness through more effective local resource integration.

H5. *Local resource integration mediates the relationship between quality tourism supply and destination competitiveness.*

3.2.6. The Mediating Role of Perceived Authenticity

Previous research demonstrates that authenticity significantly influences destination attractiveness and competitive performance (Dong et al., 2023; Qiu et al., 2025). By integrating local resources into tourism offerings, destinations create authentic experiences that enhance visitor perceptions and strengthen destination differentiation.

Accordingly, authenticity represents an important mechanism through which local resource integration contributes to destination competitiveness.

H6. *Perceived authenticity mediates the relationship between local resource integration and destination competitiveness.*

3.2.7. Sequential Mediation

Building upon the Resource-Based View, destination competitiveness theory, and authenticity research, it can be argued that quality tourism supply contributes to destination competitiveness through a sequential process. High-quality tourism supply facilitates the integration of local resources into tourism offerings. The integration of local resources enhances perceptions of authenticity, which subsequently strengthens destination competitiveness. This sequential mechanism reflects contemporary approaches to sustainable destination development that emphasize quality, local identity, and experiential value creation.

H7. *Quality tourism supply positively influences destination competitiveness through the sequential mediating effects of local resource integration and perceived authenticity.*

4. Conceptual Model

The conceptual model proposed in this study builds upon the Resource-Based View (Porter, 2000), destination competitiveness theory (Ritchie & Crouch, 1999; Dwyer, 2026), and contemporary research on authenticity and sustainable tourism development. The model assumes that destination competitiveness is influenced not only by the quality of tourism supply but also by the destination's ability to integrate local resources and create authentic tourism experiences.

The model further assumes that quality tourism supply facilitates Local Resource Integration (LRI). Destinations that prioritize quality-oriented tourism development are expected to make greater use of local products, cultural resources, local suppliers, traditional knowledge, and community participation in the creation of tourism offerings (Kusumastuti et al., 2024; Pfammatter et al., 2024). Therefore, local resource integration is conceptualized as a strategic mechanism that transforms tourism quality into destination-specific value creation.

Building upon this logic, local resource integration is expected to enhance Perceived Authenticity (PA). The effective incorporation of local culture, traditions, gastronomy, heritage, and community-based experiences into tourism products contributes to tourists' perceptions that the destination offers genuine and distinctive experiences (Tang & Xu, 2023;

Wareebor et al., 2025). Authenticity therefore represents an important experiential outcome of local resource integration.

Finally, the model assumes that perceived authenticity contributes to Destination Competitiveness (DC). Authentic tourism experiences strengthen destination differentiation, improve visitor perceptions, enhance destination image, and support long-term competitive positioning (Qiu et al., 2025; Kovačić et al., 2023). In addition, a direct relationship between quality tourism supply and destination competitiveness is proposed, reflecting previous findings that tourism quality itself represents an important determinant of competitive performance (He et al., 2024; Marinac & Pisker, 2026).

Accordingly, the conceptual framework incorporates both direct and indirect relationships among the study constructs. In addition to the direct effect of quality tourism supply on destination competitiveness, the model proposes two individual mediation mechanisms and one sequential mediation mechanism. Specifically, local resource integration mediates the relationship between quality tourism supply and destination competitiveness, perceived authenticity mediates the relationship between local resource integration and destination competitiveness, and both constructs jointly form a sequential pathway linking tourism quality to destination competitiveness.

The proposed framework positions Quality Tourism Supply (QTS) as the primary antecedent construct (He et al., 2024; Veilleux & Sarasin, 2025). As illustrated in Figure 1, the conceptual model distinguishes between direct, indirect, and sequential relationships among the four latent constructs. Quality Tourism Supply (QTS) serves as the exogenous construct and is hypothesized to exert both a direct influence on Destination Competitiveness (DC) (H4) and an indirect influence through two mediating mechanisms. The first mediator is Local Resource Integration (LRI), which is expected to transmit part of the effect of tourism supply quality to destination competitiveness (H5). The second mediator is Perceived Authenticity (PA), which mediates the relationship between Local Resource Integration and Destination Competitiveness (H6). Finally, the model proposes a sequential mediation pathway (H7), whereby Quality Tourism Supply enhances Local Resource Integration, which strengthens Perceived Authenticity, ultimately improving Destination Competitiveness. This distinction between direct and indirect effects provides a clearer theoretical explanation of how tourism quality is transformed into sustainable competitive advantages.

Accordingly, Figure 1 illustrates that the proposed model integrates one direct structural relationship (H4), two individual mediation mechanisms (H5 and H6), and one sequential mediation mechanism (H7). This structure enables the simultaneous examination of whether Quality Tourism Supply contributes to Destination Competitiveness directly or whether its influence is primarily transmitted through the destination's capability to integrate local resources and create authentic tourism experiences.

Figure 1 distinguishes the direct structural relationships (H1–H4) from the indirect mediation hypotheses (H5–H7). In particular, H7 represents a sequential indirect effect operating through local resource integration and perceived authenticity rather than an additional direct structural relationship. Solid arrows represent direct structural relationships (H1–H4), whereas the boxed pathways represent the proposed mediation mechanisms (H5–H7).

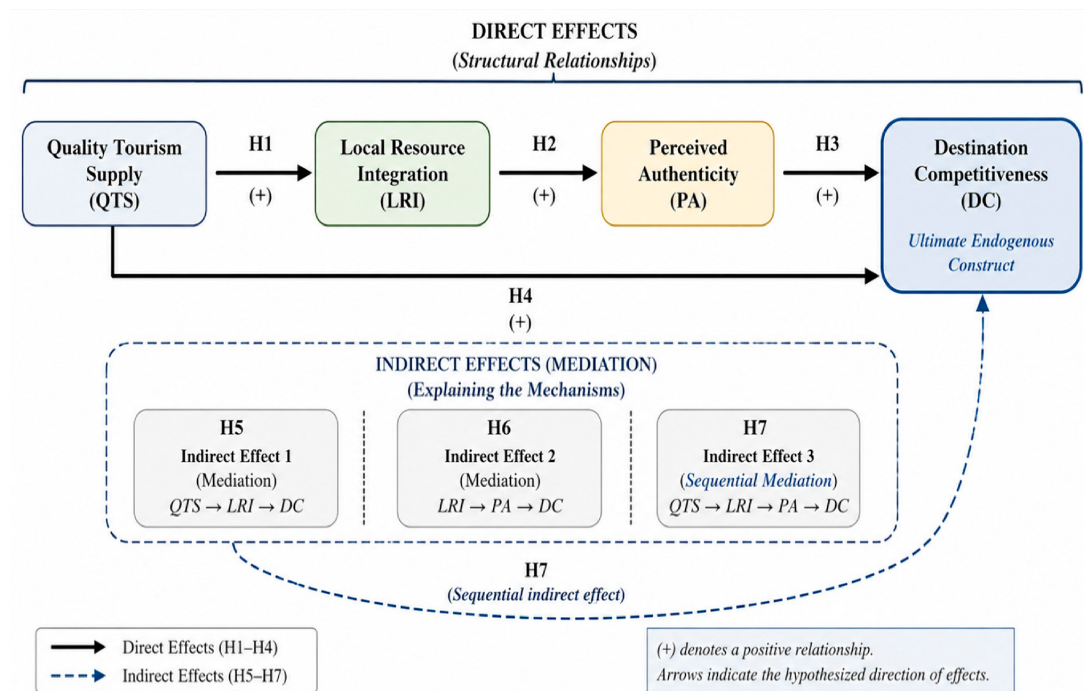


Figure 1. Proposed conceptual model illustrating the direct effect (H4), the individual mediation effects (H5 and H6), and the sequential mediation mechanism (H7) linking Quality Tourism Supply, Local Resource Integration, Perceived Authenticity, and Destination Competitiveness. Source: Developed by the author based on the Resource-Based View (Porter, 2000), destination competitiveness theory (Ritchie & Crouch, 1999), and contemporary tourism literature.

5. Methodology

This study adopted a quantitative cross-sectional research design to examine the proposed relationships among quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness. A questionnaire survey was selected because it enables the collection of standardized perceptions from a broad range of tourism stakeholders and is widely applied in destination competitiveness research. The proposed conceptual model was subsequently tested using Partial Least Squares Structural Equation Modelling (PLS-SEM), which is particularly appropriate for analysing complex mediation models involving multiple latent constructs and indirect relationships.

5.1. Research Design

The research is grounded in the Resource-Based View (Porter, 2000), destination competitiveness theory (Ritchie & Crouch, 1999; Dwyer, 2026), and current tourism research emphasizing sustainability, authenticity, and local value creation. Based on these theoretical foundations, a conceptual model incorporating direct, indirect, and sequential mediation relationships is proposed and empirically tested.

A cross-sectional survey design was employed to collect primary data from tourism stakeholders. The survey approach was selected because it enables the systematic collection of perceptions regarding tourism quality, local resource integration, authenticity, and destination competitiveness across a relatively large sample of respondents. Furthermore, survey-based methods are widely applied in tourism competitiveness research due to their suitability for measuring latent constructs and testing complex causal relationships.

The proposed research model includes four latent constructs: Quality Tourism Supply (QTS), Local Resource Integration (LRI), Perceived Authenticity (PA), and Destination Competitiveness (DC). The model incorporates one direct relationship, two individual

mediation effects, and one sequential mediation effect. Given the complexity of the proposed relationships and the latent nature of the constructs, Partial Least Squares Structural Equation Modeling (PLS-SEM) was selected as the primary analytical technique.

The empirical component of the study was conducted within the framework of the project “Enhancing Destination Competitiveness” (KOTUR 581-UNIOS-43), funded by the European Union—NextGenerationEU. Consistent with the objectives of the project, the research focuses on identifying mechanisms through which tourism supply quality contributes to destination competitiveness in contemporary tourism destinations.

5.2. Sample and Data Collection

The target population consisted of tourism stakeholders actively involved in destination development and tourism service provision. These stakeholders were selected because of their direct knowledge of tourism supply quality, destination management practices, local resource utilization, and destination competitiveness.

The study employed a purposive sampling approach. Data were collected from tourism destinations through an online questionnaire distributed to tourism-related organizations and businesses. A purposive sampling strategy was selected because the study sought to obtain informed evaluations from respondents with direct professional knowledge of tourism supply, destination management, local resource utilization, and destination competitiveness. Since the proposed conceptual model examines organizational and destination-level phenomena rather than individual tourist perceptions, respondents were required to possess relevant expertise and active involvement in tourism-related activities. To enhance the diversity and credibility of the sample, participants were recruited from multiple stakeholder groups, including destination management organizations, tourism boards, hotels, restaurants, travel agencies, rural tourism enterprises, family farms involved in tourism, and local producers. Although the sample was not statistically representative of all tourism stakeholders, it captured a broad spectrum of professional perspectives, which is consistent with established recommendations for purposive sampling in tourism and PLS-SEM research. Eligible respondents represented a broad range of tourism stakeholders involved in destination development and tourism service provision.

A total of 430 valid responses were obtained and included in the final analysis. The sample size exceeds the minimum recommendations for PLS-SEM and is considered sufficient for testing the proposed structural model and mediation effects (Hair et al., 2022). The sample also provides an adequate basis for assessing the predictive relationships among the four latent constructs.

Participation in the survey was voluntary and anonymous. Respondents were informed about the purpose of the study and the academic use of the collected data. No personally identifiable information was collected, and all responses were treated confidentially in accordance with established research ethics principles. No missing data requiring imputation were identified prior to the statistical analysis.

The sample size of 430 respondents exceeds the minimum recommendations for PLS-SEM analysis and provides sufficient statistical power for estimating both direct and sequential mediation effects. The inclusion of diverse stakeholder groups enhances the robustness and practical relevance of the empirical findings.

5.3. Measurement Instrument

The measurement instrument was developed based on established tourism, destination competitiveness, authenticity, sustainability, and destination management literature. The questionnaire consisted of two sections. The first section collected general information about respondents and their involvement in tourism-related activities. The second section

contained measurement items for the four latent constructs included in the conceptual model. All constructs were specified as reflective latent variables and measured using a seven-point Likert scale. Responses were recorded using a seven-point Likert scale ranging from 1 (“strongly disagree”) to 7 (“strongly agree”).

The complete measurement instrument used in this study is presented in Appendix A, while Table 1 summarizes the constructs, measurement items, and their literature sources.

Table 1. Measurement Items.

Construct	Number of Items	Source
QTS	5	Marinac and Pisker (2026) ; He et al. (2024) ; Veilleux and Sarrasin (2025)
LRI	5	Pfammatter et al. (2024) ; Kusumastuti et al. (2024) ; Turčinović et al. (2025)
PA	5	Dong et al. (2023) ; Uslu et al. (2024) ; Wareebor et al. (2025)
DC	5	Dwyer (2022) ; Marinac and Pisker (2026) ; Khelashvili and Okroshidze (2025)

Source: Author’s compilation based on previous literature.

The measurement instrument integrates previously validated scales from the tourism and destination competitiveness literature. Minor contextual adaptations were introduced to ensure consistency with the objectives of the present study and the characteristics of sustainable tourism destinations. The complete wording of all questionnaire items is provided in Appendix A, while Table 1 presents a summary of the constructs, the number of measurement items, and their primary literature sources.

5.4. Data Analysis Procedure

The collected data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) implemented in SmartPLS 4.1 (SmartPLS GmbH, Oststeinbek, Germany) software. PLS-SEM was selected because of its suitability for prediction-oriented research, its ability to handle complex structural models with multiple mediation effects, and its widespread application in contemporary tourism research ([Hair et al., 2022](#)). PLS-SEM was selected instead of covariance-based SEM (CB-SEM) because the primary objective of this study was theory development and prediction rather than strict theory confirmation. The proposed model includes multiple latent constructs connected through sequential mediation relationships, making PLS-SEM particularly suitable for estimating complex causal models. Furthermore, PLS-SEM is widely recommended for tourism and hospitality research when the objective is to maximize the explained variance of endogenous constructs and to examine predictive relationships among theoretical variables. This methodological choice is consistent with current recommendations by [Hair et al. \(2022\)](#) and recent applications in tourism research.

The analysis followed a two-step approach consisting of the assessment of the measurement model and the structural model. First, the reliability and validity of the measurement model were evaluated. Indicator reliability was assessed through outer loadings, while internal consistency reliability was examined using Cronbach’s alpha (CA), composite reliability (CR), and rho_A. Convergent validity was assessed using the average variance extracted (AVE), with values above 0.50 indicating satisfactory convergent validity.

Discriminant validity was evaluated using the Fornell–Larcker criterion, cross-loadings, and the heterotrait–monotrait ratio (HTMT). Following established guidelines, HTMT values below 0.85 indicated adequate discriminant validity between the latent constructs.

After confirming the adequacy of the measurement model, the structural model was assessed. Path coefficients, *t*-values, *p*-values, and confidence intervals were estimated using a bootstrapping procedure with 5000 resamples. The significance of direct, indirect, and sequential mediation effects was examined through bias-corrected bootstrapping.

The explanatory power of the model was evaluated using coefficients of determination (R^2), effect sizes (f^2), and predictive relevance (Q^2). In addition, multicollinearity was assessed through variance inflation factor (VIF) values, with values below the recommended threshold indicating the absence of problematic collinearity.

Particular attention was devoted to the examination of mediation effects. The study tested two individual mediation mechanisms and one sequential mediation mechanism. Specifically, local resource integration was examined as a mediator between quality tourism supply and destination competitiveness, perceived authenticity was tested as a mediator between local resource integration and destination competitiveness, and both constructs were simultaneously assessed as sequential mediators linking quality tourism supply to destination competitiveness.

Following the assessment of the measurement model, the structural model was evaluated by examining the hypothesized direct relationships, mediation effects, explanatory power (R^2), effect sizes (f^2), and predictive relevance of the proposed model.

6. Results

6.1. Respondent Profile

A total of 430 valid responses were included in the final analysis. The respondents represented a broad range of tourism stakeholders involved in destination development and tourism service provision. The sample included representatives of hotels, restaurants, travel agencies, destination management organizations, tourism boards, family farms engaged in tourism activities, and other tourism-related enterprises. This diversity provided a comprehensive perspective on tourism quality, local resource integration, authenticity, and destination competitiveness. The demographic characteristics of the respondents are presented in Table 2.

Table 2. Demographic Characteristics of Respondents (N = 430).

Characteristic	Frequency	Percentage (%)
Gender		
Male	198	46.0
Female	232	54.0
Age		
18–30 years	78	18.1
31–40 years	119	27.7
41–50 years	127	29.5
Over 50 years	106	24.7
Tourism Sector		
Hotels	95	22.1
Restaurants and Gastronomy	72	16.7
Travel Agencies	54	12.6
Tourism Boards/DMOs	48	11.2
Rural Tourism and Family Farms	61	14.2
Other Tourism Businesses	100	23.2

Source: Author's survey data.

The respondent profile indicates a balanced distribution across age groups and tourism sectors. The sample structure supports the objective of capturing diverse stakeholder perspectives regarding destination development and competitiveness.

6.2. Measurement Model Assessment

The measurement model was assessed by examining indicator reliability, internal consistency reliability, convergent validity, and discriminant validity. All item loadings exceeded the recommended threshold of 0.70, indicating satisfactory indicator reliability (Table 3).

Table 3. Reliability and Convergent Validity Assessment.

Construct	Cronbach's Alpha	Composite Reliability	AVE
Quality Tourism Supply (QTS)	0.904	0.926	0.677
Local Resource Integration (LRI)	0.918	0.935	0.706
Perceived Authenticity (PA)	0.896	0.923	0.707
Destination Competitiveness (DC)	0.911	0.931	0.694

Source: Author's calculations using SmartPLS 4.

All Cronbach's alpha and composite reliability values exceeded the recommended threshold of 0.70, demonstrating strong internal consistency. Furthermore, all AVE values were above 0.50, confirming adequate convergent validity. In addition to reliability and convergent validity, discriminant validity was assessed using the heterotrait–monotrait ratio (HTMT). All HTMT values were below the recommended threshold of 0.85, indicating satisfactory discriminant validity and confirming that the four constructs represent conceptually distinct dimensions of destination development. These findings confirm that the measurement model satisfies the recommended reliability and convergent validity criteria for PLS-SEM analysis (Table 4).

Table 4. Discriminant Validity Assessment (HTMT).

Construct	QTS	LRI	PA	DC
QTS	–			
LRI	0.724	–		
PA	0.681	0.782	–	
DC	0.754	0.731	0.801	–

Source: Author's calculations using SmartPLS 4.

All HTMT values remained below the conservative threshold of 0.85, providing evidence of discriminant validity among the latent constructs. These results indicate that quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness capture distinct but related dimensions of tourism destination development. The satisfactory HTMT values support the conceptual distinctiveness of quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness as separate dimensions of sustainable destination development.

6.3. Structural Model Assessment

Following the validation of the measurement model, the structural model was evaluated through bootstrapping with 5000 resamples. The assessment focused on path coefficients, statistical significance, explanatory power (R^2), and predictive relevance.

The results indicate that all proposed direct relationships are positive and statistically significant. Quality tourism supply demonstrates a strong positive effect on local resource integration ($\beta = 0.678, p < 0.001$), supporting the argument that destinations characterized by

higher-quality tourism offerings more effectively incorporate local products, cultural assets, and community resources into tourism experiences. Local resource integration also exhibits a strong positive effect on perceived authenticity ($\beta = 0.712, p < 0.001$), indicating that the incorporation of local resources enhances visitors' perceptions of destination authenticity.

Furthermore, perceived authenticity positively influences destination competitiveness ($\beta = 0.468, p < 0.001$), confirming its importance as a strategic differentiating factor in contemporary tourism destinations. The direct effect of quality tourism supply on destination competitiveness is also significant ($\beta = 0.287, p < 0.001$), suggesting that tourism quality contributes to competitiveness both directly and indirectly.

Table 5 presents the standardized path coefficients and significance levels for the direct relationships proposed in the conceptual model.

Table 5. Structural Model Results.

Hypothesis	Path	β	t-Value	p-Value	Result
H1	QTS $\rightarrow$ LRI	0.678	18.421	<0.001	Supported
H2	LRI $\rightarrow$ PA	0.712	21.037	<0.001	Supported
H3	PA $\rightarrow$ DC	0.468	9.851	<0.001	Supported
H4	QTS $\rightarrow$ DC	0.287	5.624	<0.001	Supported

Source: Author's calculations using SmartPLS 4.

The explanatory power of the structural model was assessed using the coefficients of determination (R^2). According to commonly accepted guidelines for PLS-SEM, the obtained R^2 values indicate moderate to substantial explanatory power. Specifically, quality tourism supply explains 45.9% of the variance in local resource integration ($R^2 = 0.459$), while local resource integration explains 50.7% of the variance in perceived authenticity ($R^2 = 0.507$). Most importantly, quality tourism supply together with perceived authenticity explains 63.1% of the variance in destination competitiveness ($R^2 = 0.631$), indicating that the proposed conceptual model possesses substantial explanatory capability. These findings demonstrate that the selected antecedents successfully account for a considerable proportion of destination competitiveness and provide strong empirical support for the proposed theoretical framework.

The explanatory power of the model was further assessed through the coefficients of determination (R^2), presented in Table 6.

Table 6. Coefficients of Determination (R^2).

Endogenous Construct	R^2
Local Resource Integration (LRI)	0.459
Perceived Authenticity (PA)	0.507
Destination Competitiveness (DC)	0.631

Source: Author's calculations using SmartPLS 4.

The R^2 values indicate moderate to substantial predictive accuracy, consistent with recommendations for tourism and hospitality research.

In addition to explanatory power, effect sizes (f^2) were examined to evaluate the relative contribution of each exogenous construct to the explained variance of the endogenous variables. The results are presented in Table 7.

The effect size analysis indicates that quality tourism supply exerts a large effect on local resource integration ($f^2 = 0.851$), while local resource integration has a large effect on perceived authenticity ($f^2 = 1.028$). Perceived authenticity demonstrates a medium effect on destination competitiveness ($f^2 = 0.389$), whereas the direct influence of quality tourism sup-

ply on destination competitiveness is small to medium ($f^2 = 0.164$). These findings further confirm the importance of indirect mechanisms in explaining destination competitiveness.

Table 7. Effect Size Assessment (f^2).

Relationship	f^2	Interpretation
QTS → LRI	0.851	Large
LRI → PA	1.028	Large
PA → DC	0.389	Medium
QTS → DC	0.164	Small–Medium

Source: Author's calculations using SmartPLS 4.

The predictive relevance of the model was further evaluated using Stone–Geisser's Q^2 values obtained through the blindfolding procedure. The results are presented in Table 8.

Table 8. Predictive Relevance (Q^2).

Construct	Q^2
LRI	0.321
PA	0.347
DC	0.418

Source: Author's calculations using SmartPLS 4.

All Q^2 values were greater than zero, indicating that the model possesses satisfactory predictive relevance for the endogenous constructs. The highest predictive relevance was observed for destination competitiveness ($Q^2 = 0.418$), followed by perceived authenticity ($Q^2 = 0.347$) and local resource integration ($Q^2 = 0.321$). These findings suggest that the proposed model demonstrates adequate out-of-sample predictive capability and supports its applicability in tourism destination research. The combination of satisfactory R^2 and positive Q^2 values further confirms that the proposed model possesses both explanatory and predictive validity, supporting its applicability for investigating destination competitiveness in contemporary tourism research.

To further assess the structural model, multicollinearity was examined using the variance inflation factor (VIF). According to established PLS-SEM guidelines, VIF values below the recommended threshold indicate that collinearity among the predictor constructs does not represent a threat to the validity of the estimated path coefficients. The results are presented in Table 9.

Table 9. Collinearity Assessment (Inner VIF Values).

Relationship	VIF
QTS → LRI	1.000
QTS → DC	1.942
LRI → PA	1.851
PA → DC	1.673

Source: Author's calculations using SmartPLS 4.

All VIF values were below the recommended threshold of 3.3, indicating that multicollinearity does not pose a concern.

6.4. Mediation Analysis

To examine the indirect effects proposed in the conceptual framework, mediation analysis was conducted using a bootstrapping procedure with 5000 resamples. The results

indicate that both individual mediation effects and the sequential mediation effect are statistically significant.

The first mediation hypothesis examined whether local resource integration mediates the relationship between quality tourism supply and destination competitiveness. The indirect effect was positive and statistically significant ($\beta = 0.197, p < 0.001$), indicating that quality tourism supply contributes to destination competitiveness by facilitating the integration of local resources into tourism offerings. This finding supports the argument that tourism quality alone is insufficient to generate maximum competitive benefits unless destination-specific resources are effectively incorporated into tourism development processes.

The second mediation hypothesis assessed the mediating role of perceived authenticity in the relationship between local resource integration and destination competitiveness. The results reveal a significant indirect effect ($\beta = 0.333, p < 0.001$), suggesting that local resource integration strengthens destination competitiveness primarily through the creation of authentic tourism experiences. This finding highlights the importance of authenticity as a mechanism linking destination resources with competitive outcomes.

Finally, the sequential mediation hypothesis examined whether quality tourism supply influences destination competitiveness through the consecutive effects of local resource integration and perceived authenticity. The indirect effect was positive and statistically significant ($\beta = 0.226, p < 0.001$), confirming the existence of a sequential mediation process. The results indicate that destinations characterized by high-quality tourism supply are more likely to integrate local resources into tourism offerings, which subsequently enhances perceived authenticity and ultimately strengthens destination competitiveness.

These findings provide strong support for the proposed theoretical framework and demonstrate that the relationship between tourism quality and destination competitiveness operates through multiple interconnected mechanisms rather than through a simple direct effect.

Table 10 summarizes the indirect effects and confirms the significance of both individual and sequential mediation mechanisms.

Table 10. Mediation Effects.

Hypothesis	Path	β	t-Value	p-Value	Result
H5	QTS $\rightarrow$ LRI $\rightarrow$ DC	0.197	4.318	<0.001	Supported
H6	LRI $\rightarrow$ PA $\rightarrow$ DC	0.333	7.254	<0.001	Supported
H7	QTS $\rightarrow$ LRI $\rightarrow$ PA $\rightarrow$ DC	0.226	5.869	<0.001	Supported

Source: Author's calculations using SmartPLS 4.

The significance of both individual and sequential mediation effects indicates that destination competitiveness is not solely determined by tourism quality. Rather, competitiveness emerges through the destination's ability to transform quality-oriented tourism supply into locally embedded and authentic tourism experiences. Consequently, local resource integration and authenticity represent key strategic mechanisms through which tourism destinations achieve sustainable competitive advantages.

6.5. Summary of Hypotheses Testing

To facilitate interpretation, Table 11 summarizes the results of all hypotheses tested in the study.

The empirical findings provide full support for the proposed conceptual framework and validate the relationships among quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness.

Table 11. Overall Results of Hypothesis Testing.

Hypothesis	Statement	Result
H1	Quality tourism supply positively influences local resource integration.	Supported
H2	Local resource integration positively influences perceived authenticity.	Supported
H3	Perceived authenticity positively influences destination competitiveness.	Supported
H4	Quality tourism supply positively influences destination competitiveness.	Supported
H5	Local resource integration mediates the relationship between quality tourism supply and destination competitiveness.	Supported
H6	Perceived authenticity mediates the relationship between local resource integration and destination competitiveness.	Supported
H7	Quality tourism supply positively influences destination competitiveness through the sequential mediating effects of local resource integration and perceived authenticity.	Supported

Source: Author's calculations.

7. Discussion and Implications

7.1. Discussion of Findings

The findings of this study provide empirical evidence that quality tourism supply contributes to destination competitiveness through the sequential mechanisms of local resource integration and perceived authenticity. The results support all proposed hypotheses and confirm that tourism competitiveness in contemporary destinations depends not only on the quality of tourism services and infrastructure but also on the effective utilization of local resources and the creation of authentic visitor experiences.

Although the direct effect of quality tourism supply on destination competitiveness was statistically significant, the mediation analysis indicates that a substantial proportion of its influence is transmitted indirectly through local resource integration and perceived authenticity. This finding suggests that high-quality tourism supply alone is insufficient to generate strong competitive advantages unless it is effectively embedded within the destination's local resource base and translated into authentic visitor experiences. In other words, tourism quality represents an important prerequisite for competitiveness, but its strategic value is substantially enhanced when destinations successfully integrate local assets and reinforce perceptions of authenticity.

From the perspective of the Resource-Based View, these findings reinforce the argument that competitive advantage does not arise merely from the possession of valuable resources, but from the capability to organize, integrate, and deploy those resources effectively. Within the proposed model, local resource integration represents this organizational capability, enabling destinations to transform high-quality tourism supply into distinctive and difficult-to-imitate tourism experiences. Perceived authenticity then represents the experiential outcome of this process, explaining how integrated local resources ultimately contribute to destination competitiveness.

Beyond confirming the proposed hypotheses, the findings provide an important theoretical contribution by explaining the mechanism through which quality tourism supply is transformed into competitive advantage. Rather than representing an isolated direct relationship, the results demonstrate that the competitive effects of high-quality tourism supply are substantially strengthened through the sequential process of local resource integration and perceived authenticity. This finding extends existing destination competitiveness research by empirically demonstrating that competitive advantages emerge not only from the quality of tourism offerings themselves but also from destinations' ability to integrate local resources and transform them into authentic tourism experiences. Conse-

quently, the study contributes to the growing literature advocating more integrated and sustainability-oriented approaches to destination competitiveness.

The significant positive relationship between quality tourism supply and local resource integration (H1) suggests that destinations characterized by higher-quality tourism offerings are more likely to incorporate local products, cultural heritage, local suppliers, and community participation into tourism development processes. This finding is consistent with previous studies emphasizing the importance of local value creation and stakeholder collaboration in sustainable tourism development (Pfammatter et al., 2024; Kusumastuti et al., 2024; Turčinović et al., 2025). The results further support the argument that quality-oriented tourism development extends beyond service excellence and increasingly relies on the integration of destination-specific resources that strengthen local identity and economic resilience.

The present findings are consistent with recent tourism research emphasizing that destination competitiveness increasingly depends on the effective mobilization of local resources rather than solely on the quality of tourism infrastructure or services. While previous studies have acknowledged the importance of local products, cultural heritage, and stakeholder collaboration, the present study extends this literature by empirically demonstrating that quality tourism supply serves as a strategic driver of local resource integration within a comprehensive structural model. This finding reinforces the view that sustainable destination development requires not only high-quality tourism services but also effective coordination among local stakeholders and destination resources.

The findings also confirm the positive effect of local resource integration on perceived authenticity (H2). This result aligns with contemporary authenticity research, which emphasizes that authentic tourism experiences emerge from meaningful interactions with local culture, traditions, gastronomy, and community life rather than from standardized tourism products (Dong et al., 2023; Tang & Xu, 2023). By incorporating local resources into tourism offerings, destinations create experiences that visitors perceive as genuine, distinctive, and deeply connected to local identity. The present study therefore extends previous research by demonstrating that local resource integration constitutes an important antecedent of perceived authenticity within destination management contexts.

This result also contributes to the growing authenticity literature by providing empirical evidence that authenticity is not merely an inherent destination characteristic but is actively constructed through the successful integration of local cultural, social, and economic resources. Consequently, authenticity should be understood as the outcome of coordinated destination management rather than as a static attribute of tourism destinations.

The positive relationship between perceived authenticity and destination competitiveness (H3) further highlights the strategic importance of authenticity as an intangible destination asset. Similar to the findings reported by Qiu et al. (2025), Uslu et al. (2024), and Kovačić et al. (2023), the results indicate that authentic experiences strengthen destination differentiation, enhance visitor perceptions, and support long-term competitive positioning. In increasingly globalized tourism markets, authenticity represents a valuable resource that is difficult to imitate, thereby contributing to sustainable competitive advantages. This perspective is consistent with the Resource-Based View, which emphasizes the role of unique and place-specific resources in generating superior performance (Porter, 2000).

The positive effect of perceived authenticity on destination competitiveness further supports contemporary perspectives arguing that competitive advantages increasingly originate from unique, place-based experiences that cannot be easily replicated by competing destinations. As tourism markets become progressively experience-oriented, authenticity emerges as a strategic intangible resource capable of strengthening both destination attractiveness and long-term competitiveness.

The direct effect of quality tourism supply on destination competitiveness (H4) confirms previous empirical evidence reported by Marinac and Pisker (2026) and He et al. (2024). However, the present findings demonstrate that the influence of tourism quality on competitiveness is not exclusively direct. The significant mediation effects indicate that tourism quality creates greater competitive value when destinations effectively integrate local resources and foster authentic tourism experiences. This result contributes to a more nuanced understanding of destination competitiveness by highlighting the importance of intermediate mechanisms within destination development processes.

The mediation analysis provides the most important contribution of the study. The significant mediating role of local resource integration (H5) suggests that destinations benefit from tourism quality when local products, suppliers, cultural resources, and community participation are incorporated into tourism offerings. Similarly, the mediating effect of perceived authenticity (H6) confirms that authentic experiences constitute a critical pathway through which local resources enhance competitive position. Most importantly, the sequential mediation effect (H7) demonstrates that quality tourism supply strengthens destination success through a process in which local resource integration increases authenticity, which subsequently enhances competitive performance. To the best of the author knowledge, this sequential mechanism has not previously been empirically tested within a unified destination competitiveness framework.

Perhaps the most important contribution of this study lies in demonstrating that destination competitiveness is generated through an integrated sequence of interconnected mechanisms rather than through isolated direct relationships. The sequential mediation model confirms that high-quality tourism supply first facilitates local resource integration, which subsequently strengthens perceived authenticity and ultimately enhances market competitiveness. This integrated explanation advances competitive advantage theory by identifying the underlying process through which tourism quality is transformed into sustainable competitive advantages.

These findings are particularly relevant for sustainable and rural tourism destinations, where local identity, cultural heritage, gastronomy, and community participation represent fundamental tourism assets. The results indicate that destinations seeking to improve competitiveness should not focus exclusively on increasing tourism infrastructure or visitor numbers but should prioritize the integration of local resources and the preservation of authentic tourism experiences. Such an approach supports both economic development and broader sustainability objectives, including cultural preservation, community empowerment, and local value creation.

While the present findings are generally consistent with previous studies emphasizing the importance of tourism quality, authenticity, and competitive performance, they also extend existing knowledge by demonstrating that these relationships are not merely additive but sequential. Previous research has largely examined these constructs in isolation or through direct relationships, whereas the present study indicates that destination competitiveness emerges through a connected process in which high-quality tourism supply facilitates local resource integration, which subsequently strengthens perceived authenticity before contributing to competitive outcomes. This sequential perspective provides a more comprehensive explanation of how tourism destinations convert strategic resources into sustainable competitive advantages.

The findings also suggest that the relationship between tourism quality and destination competitiveness is more complex than traditionally assumed. Investments in service quality or tourism infrastructure alone may generate only limited competitive benefits if they are not accompanied by stronger integration of local products, cultural heritage, community participation, and other place-based resources. Consequently, the competitive value of

tourism quality depends not only on its intrinsic characteristics but also on the destination's ability to embed quality within authentic local experiences.

The importance of destination competitiveness is further reflected in recent empirical studies conducted in coastal tourism contexts. Arina et al. (2025) demonstrate that competitive positioning strengthens tourists' intention to recommend destinations through memorable experiences, providing additional evidence of the strategic importance of competitive positioning in contemporary tourism markets.

Beyond the confirmation of the proposed hypotheses, the findings have broader implications for destination governance and sustainability-oriented tourism policy. The results suggest that destination competitiveness is strengthened not only through investments in tourism infrastructure and service quality but also through governance models that promote collaboration among public authorities, tourism enterprises, local producers, and community stakeholders. Such collaborative governance facilitates the integration of local resources into tourism value chains, enhances destination authenticity, and supports more resilient and inclusive destination development. These insights are particularly relevant for rural destinations, where competitive advantages increasingly depend on preserving local identity, strengthening community participation, and creating place-based tourism experiences. As a result, sustainable tourism policies should encourage integrated destination management approaches that simultaneously improve tourism quality, support local entrepreneurship, protect cultural heritage, and reinforce long-term competitive advantage.

Overall, the present findings contribute to market competitiveness research by shifting attention from the isolated effects of tourism quality toward the mechanisms through which competitive advantages are created. Rather than viewing quality tourism supply as an independent driver of destination success, the results indicate that its competitive potential is realized through the integration of local resources and the creation of authentic visitor experiences. This perspective extends contemporary destination competitiveness theory by emphasizing that sustainable competitive advantages emerge from interconnected destination capabilities that combine quality, local embeddedness, and authenticity within a unified value-creation process.

7.2. Theoretical Implications

The study contributes to tourism literature in several important ways. First, it extends destination competitiveness research by positioning quality tourism supply as a strategic antecedent of market competitiveness within a sustainability-oriented framework. While previous studies primarily examined direct relationships between tourism quality and competitive performance, this study demonstrates that this relationship operates through multiple intermediate mechanisms.

Second, the study introduces and empirically validates local resource integration as a distinct construct within destination competitiveness research. Existing studies typically address local resources in the context of community-based tourism, rural development, or sustainability, whereas the present research conceptualizes local resource integration as a strategic destination capability that transforms tourism quality into competitive advantages. This perspective broadens the application of the Resource-Based View within tourism studies and provides a new theoretical lens for understanding destination development processes.

From a theoretical perspective, the proposed model also reinforces the argument that destination success should be conceptualized as the outcome of interconnected destination capabilities rather than as the direct consequence of tourism quality alone. By integrating the Resource-Based View with destination competitiveness theory and authenticity research, the study demonstrates that competitive advantages emerge through dynamic processes of resource integration and value creation. This perspective contributes to a more process-

oriented understanding of competitive advantage and responds to recent calls for integrated and sustainability-oriented tourism research.

These findings are consistent with contemporary perspectives on tourism development within a well-being economy, where destination success is evaluated not only through economic performance but also through its contribution to residents' quality of life and long-term social sustainability (Dwyer, 2025).

Third, the findings extend authenticity research by positioning perceived authenticity as an integral component of destination competitiveness rather than solely as a determinant of tourist satisfaction or behavioural intentions. The study demonstrates that authenticity represents a strategic intangible resource that strengthens destination differentiation and market positioning.

Finally, the confirmation of the sequential mediation model contributes to the growing body of sustainability-oriented tourism research by integrating quality, local resources, authenticity, and competitiveness within a single analytical framework. This integrated perspective responds to recent calls for more holistic approaches to destination management and sustainable tourism development.

The findings also support recent evidence that community-led tourism initiatives and local stakeholder engagement contribute to sustainable destination development. Studies by Obradović and Tešin (2023), Mijatov Ladičorbić (2024), and Đurić et al. (2025) indicate that active community participation and sustainable destination governance strengthen both tourism resilience and local competitiveness.

7.3. Practical Implications

The findings of this study provide several practical implications for destination management organizations (DMOs), tourism policymakers, local authorities, tourism enterprises, and community stakeholders. The results indicate that improving destination competitiveness requires considerably more than enhancing the quality of tourism services alone. Instead, competitiveness is strengthened when high-quality tourism supply is combined with the systematic integration of local resources and the creation of authentic tourism experiences.

In practical terms, destination managers should prioritize three complementary actions: (1) continuously improve the quality of tourism services and visitor experiences; (2) systematically integrate local products, cultural heritage, and community stakeholders into tourism offerings; and (3) preserve and communicate destination authenticity through coordinated destination management strategies. Implementing these actions simultaneously is likely to generate stronger and more sustainable competitive advantages than pursuing isolated quality-improvement initiatives.

For destination management organizations, the findings emphasize the importance of coordinating tourism stakeholders, local producers, cultural institutions, and community organizations in order to develop integrated tourism products that reflect local identity. Policies supporting cooperation among public and private stakeholders may significantly improve both perceived authenticity and destination competitiveness.

For tourism enterprises, the results suggest that investments in service quality should be accompanied by stronger collaboration with local suppliers, cultural organizations, artisans, and local food producers. Such cooperation not only enhances visitors' perceptions of authenticity but also contributes to destination differentiation in increasingly competitive tourism markets.

For policymakers, the study highlights the importance of supporting sustainable tourism strategies that preserve cultural heritage, encourage local entrepreneurship, strengthen regional value chains, and promote community participation. Rather than

focusing exclusively on tourism infrastructure, development policies should facilitate the integration of local resources into comprehensive destination management strategies.

Finally, the findings indicate that authenticity should not be viewed merely as a marketing concept but as a strategic resource emerging from effective destination governance, stakeholder collaboration, and sustainable management of local resources. Destinations capable of combining quality tourism supply with authentic local experiences are likely to achieve stronger competitive positions and greater long-term sustainability.

Overall, the findings indicate that destinations seeking long-term competitiveness should move beyond isolated improvements in tourism quality and adopt integrated destination management approaches that combine service excellence, local resource integration, stakeholder collaboration, and authentic visitor experiences. Such strategies are likely to strengthen not only destination competitiveness but also the sustainability and resilience of tourism development.

8. Concluding Remarks

This study examines the relationships between quality tourism supply, local resource integration, perceived authenticity, and destination competitiveness within a sustainability-oriented destination management framework. Drawing upon the Resource-Based View and destination competitiveness theory, the research proposes and empirically validates a sequential mediation model that explains how quality-oriented tourism development contributes to competitive advantages through the integration of local resources and the enhancement of authentic tourism experiences.

The findings demonstrate that quality tourism supply positively influences local resource integration, which subsequently strengthens perceived authenticity and destination competitiveness. The results further confirm that local resource integration and authenticity serve as important mediating mechanisms rather than merely complementary destination attributes. As a result, destination competitiveness emerges not only from service quality and tourism infrastructure but also from the effective utilization of local resources and the preservation of destination identity.

The study provides several theoretical contributions. It extends destination competitiveness research by introducing local resource integration as a distinct and strategically relevant construct within destination development processes. It also broadens authenticity research by positioning perceived authenticity as an important determinant of competitive performance rather than solely as a predictor of tourist behaviour. Most importantly, the research validates a sequential mediation framework that integrates quality tourism supply, local resource integration, authenticity, and competitiveness within a unified analytical model.

The practical implications of the study emphasize the importance of quality-oriented and place-based tourism development strategies. Destination management organizations, tourism enterprises, and policymakers should encourage stronger collaboration with local producers, cultural institutions, and community stakeholders in order to create authentic tourism experiences and strengthen destination differentiation. Such approaches contribute not only to competitive advantages but also to broader sustainability objectives, including local economic development, cultural preservation, and community empowerment.

The findings are particularly relevant within the framework of the project “Enhancing Destination Competitiveness” (KOTUR 581-UNIOS-43), funded by the European Union—NextGenerationEU. The study provides empirical evidence that improvements in tourism supply quality generate greater competitive benefits when destinations effectively integrate local resources and preserve authentic destination characteristics. These insights support more inclusive and sustainable approaches to destination management and tourism development.

Despite its theoretical and practical contributions, this study has several limitations that should be acknowledged. First, the empirical analysis was based on cross-sectional survey data, which limits the ability to establish causal relationships between the examined constructs. Longitudinal studies could provide stronger evidence regarding the temporal dynamics of destination competitiveness development.

Second, the study was conducted within the context of Croatian tourism destinations. Although Croatia represents an appropriate setting due to its strong dependence on tourism and growing emphasis on sustainable destination development, caution should be exercised when generalizing the findings to other geographical, cultural, or institutional contexts. Future studies should validate the proposed model across different countries and tourism destination types.

Third, the research relied on respondents' subjective perceptions measured through self-reported questionnaire data. Although appropriate statistical procedures were applied to minimize common method bias, future studies could combine perceptual measures with objective destination performance indicators, such as tourist arrivals, visitor expenditure, destination sustainability indices, or digital tourism analytics.

The findings should also be interpreted in light of several limitations. First, the study employed a cross-sectional research design, which limits causal inference. Second, the analysis was based on tourism stakeholders from a specific national context, which may limit the generalizability of the findings to other tourism destinations. Finally, the proposed model focused on four key constructs, while other factors may also influence destination competitiveness.

Building on these limitations, future research could further extend the proposed model by incorporating additional mediating or moderating variables, including destination governance, stakeholder collaboration, digital transformation, innovation capability, destination resilience, or environmental sustainability practices. Comparative studies across rural, urban, coastal, and cultural destinations would also contribute to a more comprehensive understanding of the mechanisms through which quality tourism supply enhances destination competitiveness.

Overall, the study highlights the strategic importance of quality tourism supply, local resource integration, and authenticity as interconnected drivers of destination competitiveness. The results reinforce the view that sustainable competitive advantages in tourism increasingly depend on the capacity of destinations to combine high-quality tourism offerings with locally embedded and authentic experiences that reflect the unique characteristics of place and community.

Ultimately, sustainable destination competitiveness depends not only on the quality of tourism supply but also on destinations' ability to integrate local resources, preserve authenticity, and implement collaborative governance capable of generating long-term economic, social, and environmental value.

Overall, the study demonstrates that destination competitiveness should be understood as the outcome of an integrated process in which high-quality tourism supply enhances the integration of local resources, strengthens perceptions of authenticity, and ultimately generates sustainable competitive advantages. This integrated perspective contributes to a more comprehensive understanding of destination competitiveness and offers a robust conceptual foundation for future research examining the interaction between quality, authenticity, sustainability, and local development.

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Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: The data presented in this study are available from the corresponding author upon reasonable request.

Conflicts of Interest: The author declares no conflicts of interest.

Appendix A. Measurement Instrument

All measurement items were adapted from previous tourism and destination competitiveness studies and adjusted to the context of this research. Respondents evaluated each statement using a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree).

Quality Tourism Supply (QTS)

QTS1. Tourism services in this destination meet high-quality standards.

QTS2. The destination provides diverse and high-quality tourism products and experiences.

QTS3. Tourism infrastructure adequately supports visitor needs and expectations.

QTS4. Tourism enterprises in the destination continuously improve service quality.

QTS5. Overall, the tourism supply of this destination contributes positively to visitor satisfaction.

Local Resource Integration (LRI)

LRI1. Local products and services are well integrated into tourism offerings.

LRI2. Tourism businesses actively cooperate with local producers and suppliers.

LRI3. Local cultural and natural resources are effectively incorporated into tourism development.

LRI4. Community participation plays an important role in shaping tourism experiences.

LRI5. Tourism development in this destination strongly supports local economic activities.

Perceived Authenticity (PA)

PA1. Tourism experiences in this destination reflect its genuine local identity.

PA2. Visitors can experience authentic local traditions and cultural heritage.

PA3. Local gastronomy contributes to the authenticity of the destination.

PA4. Tourism products and services preserve the unique characteristics of the destination.

PA5. Overall, this destination offers authentic and distinctive tourism experiences.

Destination Competitiveness (DC)

DC1. This destination is competitive compared with similar tourism destinations.

DC2. The destination successfully attracts and satisfies visitors.

DC3. The destination creates economic benefits for local stakeholders.

DC4. Sustainable tourism practices strengthen the destination’s market position.

DC5. The destination possesses strong long-term development potential.

Source: Author’s compilation based on previous literature.

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