

Article

Perception Difference and Conflicts of Stakeholders in the Urban Regeneration Project: A Case Study of Nanluoguxiang

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Abstract: While specific strategies and action plans, such as community engagement, partnerships, and social networks, have been vastly explored in light of the growing significance of collaborative governance in urban regeneration projects, there is little information on the differences in the perceptions of stakeholders regarding collaborative governance. This study analyzed the differences in the perceptions of local governments, residents, merchants, and urban planners, all participants in the urban regeneration of Nanluoguxiang, China's representative urban regeneration project. The main results of the study are as follows. First, the perception of participations' roles and the importance of collaborative governance are significant differences between stakeholders. Second, if they have insufficient knowledge of the functions and significance of other participating groups, diverse conflicts can occur in the process of urban regeneration. Third, since various conflicts between participants could play a crucial role in the delay the urban regeneration projects, urban planners require coordinators and mediators to enable smooth project progress.

Keywords: collaborative governance; urban regeneration; stakeholders' perception; community engagement



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1. Introduction

When making policy decisions that involve socially important choices or agreements, planners face concerns about how to reflect the opinions of diverse citizens before reaching a consensus. The planners might be able to get answers from collaborative governance. Collaborative governance refers to a governance framework that is led by the government to capitalize on policies, and also reduce conflicts and improve efficiency, through the participation and cooperation of residents in important decision-making [1]. In the area of urban planning, which requires regional consensus, several attempts have been made at community participation and open governance, such as collaborative, communicative, and deliberative planning for policy decisions [2,3].

Discussions on collaborative governance are also effective in the field of urban planning, as well as urban regeneration [4]. A call for expanding the participation of residents and communities in the city planning and urban regeneration process is accepted as a natural process not only in the West but also in Asian countries, including China [5]. Passive community participation in implementing an urban regeneration project could lead to the failure of the whole project [6], and it is now a common notion that community inputs should be included in the process of planning regeneration policies [7]. Accordingly, urban regeneration has begun to take a comprehensive and integrated approach that includes new and innovative equal partnerships between public, private, and non-governmental organizations in policy development and enforcement [8]. Collaborative decision-making and the form of public governance have become critical to successful urban regeneration [9].

However, though existing studies mainly focus on the participation strategies, merits, and importance of stakeholders, few papers have studies different participants' perceptions as the basis for collaborative governance. In addition, the characteristics of cooperative

governance are operating in different forms for each site, and there is still not enough detail in applying and implementing urban regeneration sites [10–12]. Since stakeholders have different opinions and objectives, and the complex relationship between them has a major impact on the performance of urban regeneration projects [13,14], understanding the stakeholder's perception can lead to successful collaborative governance. Therefore, the purpose of this study is to analyze and understand the differences among stakeholders in the course of implementing urban regeneration projects. The article is structured as follows. First, we review the theory of community participation and collaborative governance of urban regeneration. Second, we describe the urban regeneration of Nanluoguxiang, where representative urban regeneration projects are being undertaken in China. Third, we examine the characteristics of collaborative governance of urban regeneration projects through DEMATEL (Decision Making Trials and Evaluation Laboratory) analysis. Finally, we explain the article's main findings and suggest policy implications.

2. Literature Review

2.1. Theory of Collaborative Governance

Jessop (1998) argued that the government has failed in both governance and market regulation, breaking away from dichotomous thinking and requiring horizontal governance among market, social, and civic interdependent players. Since the 1980s, when countries began promoting public sector reforms, the status of governance—between the government and the mayor, the state, and the civil society, and the central and local governments—has changed drastically. A new explanatory framework is needed to elucidate these changes [15]. Accordingly, government administration and social policy in developed countries such as the United Kingdom and the United States have attempted to transform into a cooperative social system involving citizens, social organizations, and various institutions, through partnerships, community participation, and accountability strategies [16–18]. Following this process and social transformation, the concept of collaborative governance emerged. Collaborative governance was proposed to respond to complex and diverse societies through new forms of participation of the state and citizens. Collaborative governance was used as an ideological framework for accepting social changes, for example from governing to governance, from hierarchies to unities, from representative democracy to deliberative democracy, and from direct control by government to civil society [19].

Collaborative governance is defined as the planning and implementation of public policy through the implementation of formal and consensus-oriented processes involving one or more public agencies and non-governmental stakeholders for collective decision-making. The six main components of collaborative governance are public initiative, participant composition, participant decision-making authority, formal and regular discussions, consensus decision-making, and public policy and consensus for public management. In a collaborative governance process, it is important to have face-to-face discussions, in order to build trust between stakeholders and commitment to the process, to share understanding, and to produce outcomes [1].

While processes are important in collaborative governance, the various external variables surrounding the system—such as macroscopic system contexts, dynamics of internal cooperation, and certain socioeconomic variables—affect collaborative governance. Effective collaborative governance should involve a variety of forms of engagement channels, active stakeholder opinion sharing, and a high degree of understanding of common objectives and public policy direction [20]. In addition, collaborative governance theories are being studied in detail at a practical level, such as the degree of network, stakeholder expectations, contributions from other participants, understanding of collaborative governance, and strategies for building trust [21].

2.2. Theory of Collaborative Governance in Urban Regeneration

Research on collaborative governance in urban regeneration is scarce, and related research has mainly focused on participation in urban regeneration projects, partnerships, governance, and the importance of collaborative planning. As public participation is a useful tool for building trust, dependability, and confidence in the implementation of social capital and urban policies [22–24], citizen participation provides a crucial opportunity for local wisdom and community perspective to be reflected in regional planning [25–27]. Considering the diverse opinions, concerns, and cultures in the city [28], community involvement in the decision-making process and solving local problems through urban regeneration have become imperative in modern urban society. The reinforcement of regional and community participation in the policy-making process can reflect local experiences in urban design and affect the outcome of urban regeneration. Participation opens up opportunities for planners to settle in the community, builds significant trust, and helps in understanding the community in the process of urban regeneration [9]. Since the type of community participation varies and unexpected side effects would occur depending on the detailed participation environment, the practice of community engagement should be accompanied by sophisticated policy design [12].

In urban regeneration, the governance system has a direct impact on community participation and effective decision-making, and determines the outcome of the regeneration project [12]. The role of the government in today's neoliberalism, globalization, and glocalization emphasized the shift from "existing orthodox governance" to "new state space" [29] and "network governance" [9,15,30]. Network governance prefers collaborative decision-making and tends to form an organized network on its own, based on autonomy and local trust [9,15]. The development of the governance and urban regeneration models are closely related, as they progress concurrently. Participation-oriented governance with a broad network is beneficial for encouraging the implementation of comprehensive regeneration policies, engaging new stakeholders, and expressing free public opinion [31,32].

Urban regeneration partnerships are being employed in many countries across the globe for effective implementation of urban regeneration projects through the promotion of public and private communication [11], while various types of urban regeneration partnerships are being attempted in individual nations [33,34]. As a new independent organization, the Urban Regeneration Partnership pursues public and private cooperation for the purpose of promoting, guiding, and implementing regeneration projects [35]. Urban regeneration partnerships have a very important impact on building trust with partners; in particular, sharing information is the basis for building more trust [11]. Urban regeneration partnerships are determined by the level of existing relationships and their leadership, which plays a critical role in promoting cooperation [36]. In addition, community status, social capital, social conflict [32], and diversity of stakeholders and continuous exchange have had a significant impact on the success or failure of cooperative governance in urban renewal projects [3].

2.3. Urban Regeneration and Collaborative Governance in China

Urban regeneration is a project promoted by the government, the private sector, and the community to regenerate society, the economy, and the environment [37]. In China, urban regeneration has been adopted and implemented as one of the new urban development approaches [38]. After the national reform and opening up in 1978, China's government was faced with improving the environment by enhancing old houses and infrastructure [39]. Since 2014, China's central government has actively used urban regeneration models to solve the limitations of large-scale urban redevelopment models, urban degradation and deterioration of vitality, lack of urban land efficiency, and reckless expansion of urban areas [37,40–42]. In addition, the government is actively pursuing urban regeneration projects to lead economic growth and to meet people's higher living standards [43].

Urban planning academia has begun to pay attention to research showing that public participation and stakeholder consensus in urban regeneration projects significantly impact

project implementation in China [37]. In one study, local governments attempted collaborative governance, such as resident participation and opinion gathering in urban regeneration projects; nevertheless, stakeholders' perception of these factors' importance was low [39]. A study on urban regeneration in Guangzhou and Shenjing Village revealed that the collaborative workshop helps participants make their opinions and coordinates stakeholders' opinions [37]. In other studies, collaborative governance significantly influenced China's urban regeneration project outcomes [38,44,45], highlighting local governments' role and the importance of participation and cooperation between companies and developers [45,46].

In China's urban regeneration project, however, the difficulties of collaborative governance and stakeholders' conflicts appear in various forms. One previous study highlighted that China needs collaborative governance that meets the region's conditions to implement a successful urban regeneration project, because the geographical, demographic, and socio-cultural conditions of the area are diverse. Another study suggested that collaborative governance is different because the speed of social development is fast, and the top-down and bottom-up co-exist in urban regeneration, unlike in the West [37,42]. Besides, large and small conflicts have arisen among stakeholders, including self-immolation, violent demolitions, banner protests, and treatment households in China's urban regeneration project. The progress of the urban regeneration project undertaken in China is lower than expected due to the related issues and the difficulty of implementing the complex urban regeneration project [40]. In a situation where the history of opening the door to foreign countries and urban regeneration is not long, in-depth research on collaborative governance in urban regeneration projects in China is needed.

2.4. Theoretical Limitation and Research Purpose

Even though various strategies related to effective collaborative governance have been drawn in the promotion of urban regeneration projects, the effectiveness of actual implementation and project performances are insufficient compared to the research achievements and enthusiasm [12], and detailed policy design is still required at the implementation level [10]. It is difficult to define clearly because the implementation of civic engagements is too diverse depending on the local context, and it is not an easy task to implement it in the field of urban regeneration projects [12,47]. Furthermore, although there has been active research on the importance and strategy of participation, governance, partnerships, and relationships, which are individual elements of collaborative governance in urban regeneration, there is limited research on the differences in perception and characteristics of each participant in implementing collaborative governance of urban regeneration projects in the context of China [37,42]. The purpose of this study is to analyze the differences and characteristics of participants' perceptions of urban regeneration projects from the perspective of collaborative governance, through local government officials, residents, merchants, and urban planners in Nanluoguxiang, Beijing. Essentially, since administration-led urban regeneration projects are underway and community-led urban regeneration projects are expanding to the introduction stage in China, it is meaningful to analyze collaborative governance and stakeholders' perceptions through representative urban regeneration cases in China.

3. Analytical Framework

3.1. DEMATEL Methods

This paper used the DEMATEL methodology to analyze long-term, complex urban renewal projects involving various stakeholders. In urban regeneration, several projects are carried out in a complicated process, and various stakeholders participate. In addition, since individual urban regeneration projects and interests are intricately intertwined over a long period [37], DEMATEL analysis is useful for analyzing complex relationships and identifying solutions to recognize complex stakeholder perceptions [48,49]. It is also appropriate for analyzing the impact relationship of various urban regeneration project factors [39], as DEMATEL is an analysis method that has been used in many fields such

as supplier selection, remanufacturing management, human resource management, and risk management [50]. The great advantage of this analysis is that it is possible to analyze causality as well as the influence among variables [51,52].

In addition, this analysis clearly shows the causative variable and the resulting variable on a 2D matrix and can register relative importance. The characteristic of this analysis should be a questionnaire survey of a few experts who understand the relationship between various factors well, with even a small amount of data leading to reliable results [50]. The results of analyzing the importance and causality of project elements by analyzing the DEMATEL for each stakeholder and grasping the overall perception of the urban regeneration project are as follows.

3.2. Nanluoguxiang Urban Regeneration Project Factors

Dongcheng-gu local government and Jiadaokou district office led the Nanluoguxiang urban regeneration project. Dongcheng-gu local government requested and supported the necessary funds for Beijing City, and Jiadaokou district office participated as a critical entity to execute each project. The local government induces regional revitalization through urban regeneration projects and regional management plans such as the Jiadaokou Street Community Development Plan (2006–2020) and Nanluoguxiang Conservation and Development Plan (2006–2020). Along with urban planners, the Jiadaokou district office established 30 self-governing community organizations involving citizens, merchants, NGO groups, and schools to serve as coordinators to gather residents' opinions and revitalize commercial streets. The central government's involvement in detailed business plans and implementation was minimal, and the Beijing government participated in the Nanluoguxiang urban regeneration in the form of supporting necessary funds. The participation of principal urban planners was appointed by Dongseong-gu local government to establish the above development plans and formulate the project with the local groups and people [53]. Most of the following projects are urban regeneration projects carried out with public officials, residents, merchants, and urban planners, brought about through Dongcheng-gu local government's administrative resources and budget. The main projects are as follows.

All urban regeneration projects conducted in the Nanluoguxiang from 1990 to 2017 were classified by period and type into 5 types and 14 components (Table 1). In the pre-urban-regeneration phase, existing policies and plans (A) were implemented, including plans for remodeling dilapidated houses and developing commercialized streets. As part of existing projects (B) prior to urban regeneration, Hutong and building renovation projects, demolition and renovation of old dilapidated houses, and art creation projects by local art organizations were carried out. A preliminary investigation (C) was conducted to survey the Siheyuan measurements and to examine residents' awareness of the restoration project.

In the preparation phase of Nanluoguxiang's urban regeneration, the Nanluoguxiang conservation and development plan, historical culture street landscape protection ordinance, and commercial industry induction and compensation policy were implemented as policies and plans (D). Guidelines and criteria (E) have been established for the protection of historic landscapes and the renovation of houses, as well as standards for the use of commercial business subsidies and compensation. As part of the investigation and research (F), research on regional measurement and video data establishment, industrial structure, and sustainable development was conducted. With regard to the subsidy support project (G), subsidies to induce industries and budgets to support commercial industries were used.

To support the physical businesses of Nanluoguxiang's urban regeneration, public space environmental improvement projects (H) were implemented, such as greening and beautification projects, urban landscape improvement projects, parking lot improvement and road restoration projects, and environmental improvement projects for the central street. The building restoration and improvement project (I) involved the restoration of historical and ancient roads and historical sites, and the restoration of the facade of the main street and the Hutong landscape.

Table 1. Nanluoguxiang urban regeneration projects' contents.

Project Category		Project Factors	Major Contents (Years)
Previous stage projects	A	Existing policies and plans	Old dilapidated housing renovation plan (1990), Nanluoguxiang regional integrated landscape plan (1994), Beijing commercial specialized street development plan (2001), etc.
	B	Existing projects	Hutong and building renovation projects (1989), demolition and renovation of obsolete housing (1990), local greening project (2000–2004), art creative project (1993), etc.
	C	Preliminary investigations	Measurement investigations of Siheyuan (1999), Satisfaction and Opinion Survey on Community Restoration Project (2000–2004), etc.
Preparation state projects	D	Policies and plans	Five Year National Economic and Social Development Plan in Dongcheng-gu (2006), compensation policies to attract relevant businesses (2007), Jiaodaokou Street Community Development Plan (2006–2020), Nanluoguxiang Conservation and Development Plan (2006–2020), Nanluoguxiang Ordinance for Protection of Historic and Cultural Streets (2016), etc.
	E	Guidelines and criteria	Landscape protection plan execution criteria (2005), guidelines for the protection of historic landscapes and the modification of dilapidated houses (2005), criteria for the use of support and compensation for the guidance of commercial business (2007), etc.
	F	Investigation and research	Measurement and video data collection for local buildings (2005), Nanluoguxiang industrial structure research (2007), sustainable urban regeneration and community awareness survey (2013), etc.
	G	Subsidy support	Subsidies to attract businesses (2006), commercial business subsidy (2007)
Physical projects	H	Public space environmental improvement project	Hutong greening and beautification project (2005–2007), Nanluoguxiang city landscape improvement project (2006), parking lot improvement business (2008), Nanluoguxiang main street environmental improvement project (2016–2017), etc.
	I	Building restoration and improvement project	Comprehensive restoration project for local historical sites, old roads, and historical buildings (1999–2007), Hutong restoration project (2008), facade restoration project in central street (2008), etc.
Non-physical projects	J	Cultural arts project	Creative activities in collaboration with local arts organizations (2005–2009), exhibition and art sales, creative art market, creative culture strain (2007–2016), sales of local residents' handicrafts (2009), etc.
	K	Community organization supports project	Support for the local elderly group, good parent activity organizations, old neighborhood organizations (2008), supporting environmental protection of public activities (2010), etc.
Residents participation and empowerment	L	Participation of various stakeholders	Open resident meetings (2007), community tea house forums (2009), Nanluoguxiang preservation and development seminars (2009–2017), Nanluoguxiang development plan conference (2016), etc.
	M	Activities of residents' self-governing	Merchants' associations (2005), self-governing organization of local community (2007), firefighting teams, security and traffic patrols, publicity handbooks and book publications, website operation (2010), etc.
	N	Empowerment for merchants and residents	Store system and policy education to strengthen merchant capacity, sign language education, English conversation education (2010), vocational and functional education for local residents, startup programs (2017), etc.

Source: Complement and develop the project list in Zhang (2018).

Regarding non-physical projects, cultural art projects (J) were conducted, including exhibition and sales in cooperation with local art organizations and creative markets and handicrafts made by residents. Projects supported by community groups (K) were promoted to organize and support local associations such as elderly support groups, good mother groups, and old neighbor groups. Participation of various stakeholders (L) was achieved through open community meetings, community forums, and Nanluoguxiang development seminars. The residents' self-governing team (M) included the Nanluoguxiang Merchant Association, local residents' autonomous organizations, local fire and patrol organizations, and publicity and publishing activities. The merchant capacity enhancement program, including sign language education, English conversation education, and vocational and entrepreneurship education, was operated to empower merchants and residents (N).

4. Urban Regeneration of Nanluoguxiang

4.1. Site Introduction

The Nanluoguxiang area is located on Jiadaokou Street, Dongcheng-gu, Beijing, China (Figure 1). Nanluoguxiang was built in the same era as the capital city of the Yuan Dynasty of China and has a history dating back 740 years. Nanluoguxiang and the surrounding areas have been fully preserved in Siheyuan, a traditional Chinese form of housing, and Hutong, historical alleys [54]. The site was selected as one of the first 25 historical and cultural preservation areas in Beijing in 1993 because of its status as a cultural heritage area with 850 years of history [55].



Figure 1. Nanluoguxiang location and Hutong.

The Nanluoguxiang area is China's largest checked-patterned traditional residential area, where the only Yuan Dynasty urban planning philosophy and "Palmyoyuan" style Hutong structures are completely preserved [39] (Figure 1). The main street is in the north-south direction, the length is 787 m, and the average width is 6m from the northeastern Gulou East Street to the southernmost Di'anmen East Street. This area is characterized by the shape of a "fishbone," consisting of eight hoops on the east and west sides of the central axis of the Nanluoguxiang street in the north-south direction [56].

4.2. Nanluoguxiang Urban Regeneration Process

Nanluoguxiang is regarded as the first successful urban regeneration project in a region designated as a Chinese historical and cultural reserve [39,57]. Nanluoguxiang is a representative example of urban regeneration using history and cultural assets, encompassing one side of Beijing's fortress. Urban regeneration in this area did not change significantly in terms of the physical forms, such as architectural structures and alleys, and social relations are in the process of negotiation. In this regard, Nanluoguxiang has endorsed the culture and people from outside and created a unique landscape that harmonizes tradition and modernity (Figure 2). Equipped with these features, Nanluoguxiang's urban regeneration is regarded as a successful case of historical and cultural urban regeneration in China.



Figure 2. Nanluoguxiang streetscape.

Prior to the full-scale urban regeneration project, Nanluoguxiang had a poor residential environment and high population density. However, the region began to be revitalized

based on the urban maintenance and regeneration projects of local governments in 2006 [57]. Since 2004, various urban renewal projects have been promoted in Nanluoguxiang, including physical environment improvement projects, resident participation projects, and merchant capacity enhancement projects, according to various plans and guidelines [53]. In the early days of the urban regeneration project, the focus was on physical environment improvement projects, such as the demolition of illegal buildings, renovation of residential areas, and restoration of gardens.

Since 2006, the city's regeneration project has focused on reviving commercial functions, such as the establishment of commercial stores in some spaces of indigenous peoples or existing residential areas, management of businesses in commercial streets, and enhancement of merchant capacity. In particular, Nanluoguxiang's unique commercial street, which combines art and commerce, was created by utilizing historical and cultural resources. In 2006, 72 stores opened, followed by more than 200 unique and artistic stores in 2017 [58]. Since 2007, it has established about 30 autonomous community organizations in cooperation with schools and non-governmental and local organizations, and encouraged the active participation of residents. In 2016, contents related to urban regeneration were institutionalized in order to maintain street vitality and regional management in the area [39].

4.3. Nanluoguxiang Collaborative Governance and Limitations

Nanluoguxiang's urban regeneration is an example of various stakeholders actively participating in a regeneration project and creating and promoting an institutional basis, with each of the participating groups performing different functions. For the top-down aspect, the local government provided opportunities for various stakeholders to participate and cooperate in laying and implementing the foundation for urban regeneration. Besides, the government managed the commercial sector through various initiatives and subsidies and provided a platform for exchange between residents and merchants, while promoting the formation of a business network through urban planners and area planning. For the bottom-up aspect, residents and merchants played a key role in shaping new street scenes and social relationships. The influx of merchants has created creative stores on more lots and has been a source of great motivation for residents to actively regenerate their spatial resources. As a policy to create commercial spaces by extending residential spaces, in-house commercial shops were constructed [59], and the role of residents often switched to tenants or business operators. In addition to providing space management and services to Nanluoguxiang, residents participated in local maintenance or indirect regeneration projects through seminars and discussions as original owners [53].

Although the Nanluoguxiang urban regeneration project had several characteristics, such as resident participation, resident organization support, and merchant empowerment, depending on the importance of collaborative governance, conflicts among stakeholders also existed. Some residents believed that the urban regeneration project lacked a platform for residents to express or reflect their official opinions [59]. The massive influx of tourists and merchants threatened the living conditions of the natives and created certain problems and conflicts. Local governments tried to resolve these problems among residents, artists, and new merchants, but there were still certain issues that were difficult to resolve [57]. Although the Nanluoguxiang urban regeneration project encouraged the participation of various actors and promoted community capacity building, there were limitations that were not considered collaborative governance strategy by the level of residents and merchants and by the urban regeneration project.

5. Results

5.1. Factor Importance Analysis

In a complicated, intertwined situation involving various goals, the public's choice and their decisions are significant for many residents [60,61]. In particular, it is essential to understand actors and their behavior in the process of making policy [62]. Prior to

analyzing the differences in the perceptions of stakeholders, this study identified important elements of the 14 urban regeneration projects in Nanluoguxiang through IPA (important performance analysis). For 46 days, from March to May, 2018, surveys and interviews were conducted with 73 local government officials, residents, merchants, and urban planning experts who had been involved in the Nanluoguxiang urban regeneration project from the beginning.

The IPA analysis results of 41 of the 73 valid samples confirmed that policies and plans (D), guidelines and criteria (E), investigation and research (F), subsidy support (G), public space environmental improvement project (H), building restoration and improvement project (I), participation of various stakeholders (L), and activities of residents' self-governing (M) were identified as the most influential factors. Accordingly, to enhance the precision of the research, a DEMATEL analysis was conducted to understand stakeholder awareness, focusing on important factors such as existing policies and plans (A), existing projects (B), preliminary investigations (C), cultural arts project (J), community organization supports project (K), and empowerment for merchants and residents (N).

5.2. Perception Differences of Stakeholders

To understand the local government's perception of the urban regeneration project, a DEMATEL analysis was conducted on 10 local officials involved in the project from the beginning (Figure 3). In the perception of local government officials, it was recognized that the subsidy support (G) element played a key role in the Nanluoguxiang urban regeneration project. This can be attributed to the subsidy support (G) projects operated by policies and plans (D), guidelines and criteria (E), and investigation and research (F) projects. Consequently, it had the greatest impact on the implementation of the public space environmental improvement project (H) and building restoration and improvement (I) projects. The policies and plans (D), guidelines, and criteria (E) projects are also evaluated to have played a major role in directly implementing the public space environmental improvement project (H), and building restoration and improvement project (I).

In order to understand the urban planning expert's perception of the urban regeneration project, a DEMATEL analysis was conducted on 23 urban planning professors and practical experts involved in the Nanluoguxiang urban regeneration project (Figure 4). Urban planning experts' perception of Nanluoguxiang urban regeneration determined that the investigation and research (F) project had the greatest impact on other projects at the highest level. Urban planning experts recognized that the investigation and research (F) project directly influenced not only policies and plans (D) and subsidy support (G), but also the public space environmental improvement project (H), the building restoration and improvement projects (I), cultural arts projects (J), and the participation of various stakeholders (L). In addition, the policies and plans (D), guidelines and criteria (E), and subsidy support (G) projects directly affected the implementation of the public space environmental improvement project (H) and the building restoration and improvement project (I). In particular, the policies and plans (D) are considered to have played an important role in the implementation of the cultural arts project (J).

In order to understand local residents' and merchants' perception of the urban regeneration project, a DEMATEL analysis was conducted on eight representatives of residents and store operators who had been deeply involved in the Nanluoguxiang urban regeneration project from the beginning (Figure 5). Although there are only eight in absolute numbers, this paper analyzed residents who have been involved in the urban regeneration project and have insight into the overall project spanning over about 20 years. Regarding the urban regeneration project, residents and merchants recognized that physical environmental changes such as the public space environmental improvement project (H) and the building restoration and improvement project (I) played a critical role in the Nanluoguxiang urban regeneration project. Residents and merchants recognized that the public space environmental improvement project (H) and the building restoration and improvement project (I) were conducted through policies and plans (D), guidelines and criteria (E), and

subsidy support (G), as well as the participation of various stakeholders (L). In addition to the factors of investigation and research (F), activities of residents' self-governance (M) played a certain role in the implementation of the public space environmental improvement project (H) and the building restoration and improvement project (I). In particular, it was judged that residents and merchants played a significant role in the physical environment as participation of various stakeholders (L) was directly responsible for the implementation of the public space environmental improvement project (H) and the building restoration and improvement project (I).

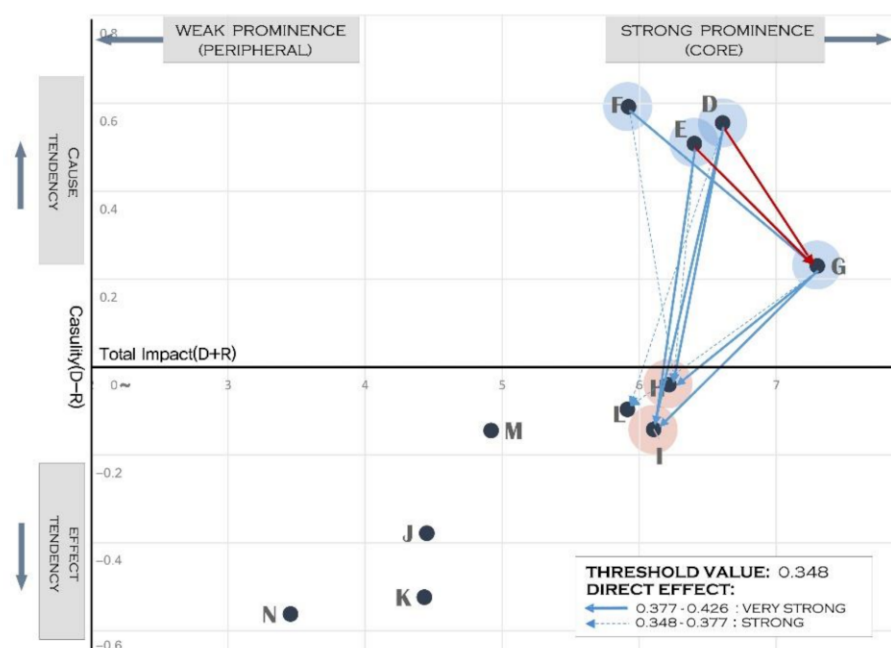


Figure 3. DEMATEL results of local government's perception.

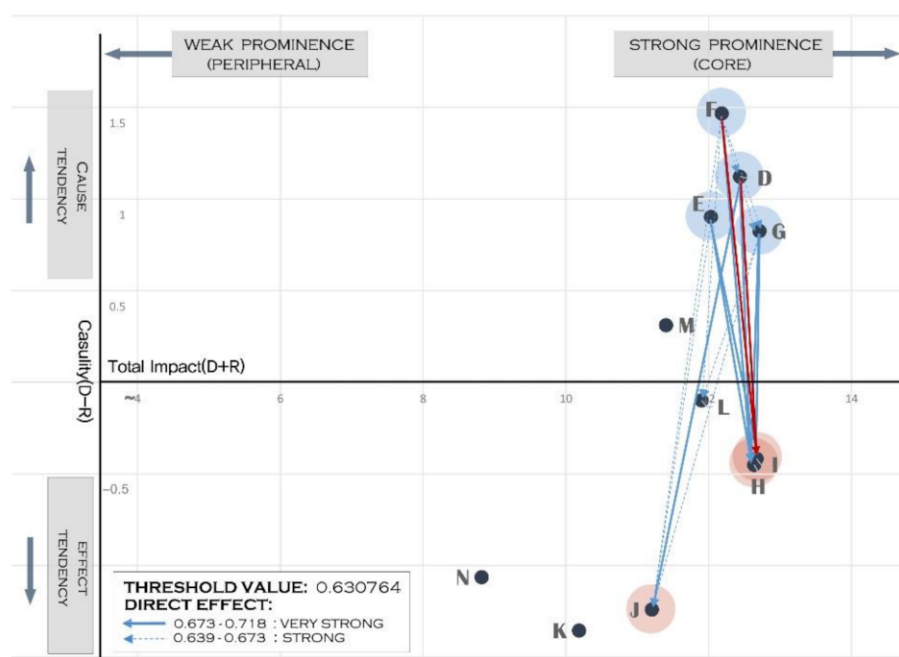


Figure 4. DEMATEL results of planning experts' perception.

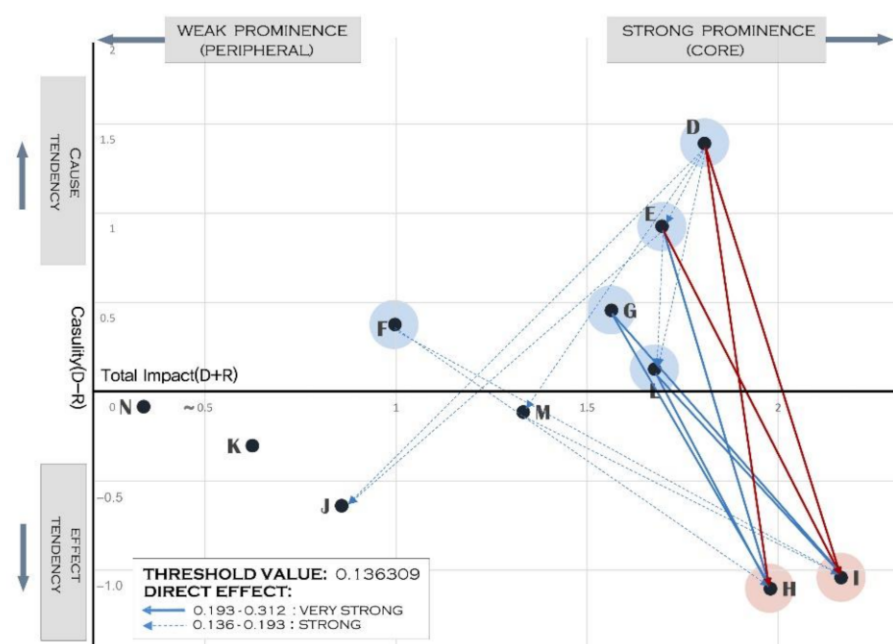


Figure 5. DEMATEL results of residents' perception.

Although a number of stakeholder groups participated in urban regeneration projects depending on the importance of collaborative governance, the significance and causality of each group's recognition of urban regeneration projects varied from group to group. From the perspective of the local government, although the financial subsidy support (G) was devised by other factors, it was recognized that many positive results were produced by subsidy support (G). On the other hand, urban planning experts recognized that the investigation and research (F) factors fundamentally became the basis for policies and plans (D), guidelines and criteria (E), and subsidy support (G) in terms of their causal nature, and had led the public space environmental improvement project (H), the building restoration and improvement project (I), and the cultural arts project (J). Lastly, unlike other stakeholders, residents and merchants deemed that the participation of various stakeholders (L) had a strong causative nature and had a direct impact on the implementation of the public space environmental improvement (H) and the building restoration and improvement projects (I). Therefore, it was recognized that the participation of residents and merchants had a decisive effect on the physical environment.

Accordingly, stakeholders did not understand the function and necessity of other groups compared to the role and importance of the group to which they belonged. Although several projects and attempts have been made regarding collaborative governance, this paper recognized that the lack of systematic and strategic cooperative governance operations has not actively led to collaboration with other stakeholders. Moreover, as stated in the beginning, there were major and minor conflicts in the process of urban regeneration [57,59], and one of the reasons could be due to differences in the perception of roles and the importance of each other. Therefore, it is necessary to continuously share the differences in perception among stakeholders and understand the role and importance of each other.

6. Conclusions and Discussion

This study analyzed various perceptions of stakeholders in urban regeneration projects. In order to elicit successful collaborative governance in the urban regeneration project, the study analyzed the differences in perception of participating groups through DEMATEL analysis of stakeholders of Nanluoguxiang. The main findings of the study are as follows.

First, local government officials recognized that financial subsidies play an important role in urban regeneration projects. They assessed that financial support, which was

established by surveys, research, plans, and policies, played an absolute role in the implementation of the physical environment improvement project. Second, urban planning experts acknowledged that investigation and research are the most critical elements, as they form the basis of the entire urban regeneration project. They estimate that research and investigation not only prepared policies and guidelines but also provided the basis for the operation of physical projects and programs. Third, residents and merchants recognized that the improvement of the public environment and the building environment was eventually achieved by them and that the participation of various actors contributed the most to success. In conclusion, it has been confirmed that each stakeholder may have different perceptions toward urban regeneration projects, such as the importance and influence of each project, and of future projects; therefore, the process of sharing the differences in individual perceptions of each stakeholder group is essential.

While the Nanluoguxiang urban regeneration project was promoted at the collaborative governance level with the participation of various stakeholders, including artists and developers as well as local governments, residents, and merchants [39], issues related to collaborative governance in urban regeneration projects such as complaints about collecting residents' opinions, the influx of merchants, and difficulty in local government intervention have emerged [57,59]. The implications are as follows.

First, planners need to understand that urban regeneration projects cannot be free from the self-centered opinions of each participant. As the role of urban planners has changed from making plans and designs to being coordinators and mediators [37], they need to recognize each other's roles and needs for successful urban regeneration projects through organizational and collaborative governance [63]. As can be seen from the results of this study, in the regeneration of Nanluoguxiang city, the local government recognized that the participation of various actors was less important than residents and merchants. Participants in urban regeneration projects are required to evolve from self-centered thinking to an outlook that is open to society and serves the benefit of the entire community [64,65]. Subsequently, it was confirmed that the process of understanding the role of other stakeholders and recognizing the importance of each group's functions should precede the entire urban regeneration project.

Second, for collaborative governance, urban planners need to carry out and design a step-by-step systematic strategy that is suitable for residents' participation capabilities. For example, in order to lead collaborative participation in Australia and New Zealand, public participation was divided into phases of information delivery, consulting, participation, cooperation, and empowerment, to operate according to regional capabilities [10]. In the information delivery stage, government-led participation such as community awareness, resolution, and opportunity exploration takes place, and in the empowering stage, the final decision on problem-solving is led by the community, and the public only provides the basis for implementation [10]. The Nanluoguxiang urban regeneration project was not satisfied with the systematic collaborative governance steps in the process of implementation, so some residents were dissatisfied with cooperative decision-making [59]. Therefore, in order to induce successful collaborative governance and community participation, a variety of step-by-step engagement strategies are required that are appropriate to regional competency.

Third, urban regeneration causes a constant conflict because stakeholders change in the process of planning and implementing projects, as do opinions and requirements. Nanluoguxiang urban regeneration also experienced continuous changes and conflicts as interests changed due to an increase in the number of merchants and the reduction of artists and indigenous people during the implementation process [39,57–59]. Collaborative governance itself is intended to decentralize the power of decision-making [36]; however, some citizens may experience a phenomenon in which cartels are formed and inequity occurs causing the participant composition to disband [32]. The urban regeneration project is prone to such side-effects [12]. Therefore, it is important for planners and local governments to hold steady and continue communication in the course of implementing urban

regeneration, in order to promote social networks [3] and to maintain leadership without a concentration of power [36].

Finally, since stakeholders have different characteristics, in order to induce collaborative governance and participation, it is necessary to refine the participation process according to the characteristics of the group. The Nanluoguxiang urban regeneration project formed separate organizations for the elderly and mothers, and promoted collaborative governance by implementing a system tailored to the characteristics of participants, for example through “teahouse dialogues” [53,57]. In addition, it should always be recognized that when targeting low-income people in areas where urban regeneration is underdeveloped, there are residents who are facing difficulties in participating, and that urban regeneration projects will be perceived with skepticism. Urban planners are required to recognize that their participation is a delicate task, and need a meticulous approach to consider their opinions [12].

The contribution of this study through the main findings and implications of the study is as follows. While previous papers have studied the importance and strategies of participation in urban regeneration projects, this study attempts to analyze differences in participants’ perceptions, which are the basis of participation strategies. From the perspective of collaborative governance, each stakeholder’s perception is different, and that self-centered thinking can lead to conflict in urban regeneration projects. From the standpoint of urban regeneration implementation, planners have become essential to understanding and performing collaborative governance in urban regeneration projects.

This study is meaningful in that it analyzed how perceptions of stakeholders differ by looking at causative and important factors for each group, from the planning stage to complete urban regeneration projects. However, the number of experts analyzed was restricted due to various limitations of the research. In addition, since this study focused on how the perspectives of stakeholders differ, it was not possible to discuss the causes of each group in-depth, and further research is needed.

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